cve@caneyvalley.com
www.caneyvalley.com
For emergency outages please call 800-310-8911

THE CANEY VALLEY ELECTRIC COOPERATIVE ASSOCIATION, INC.

The Voice

Power Cost Adjustment

The Power Cost Adjustment (PCA) for August is $0.04233/kilowatt-hour. This calculates to an additional $42.33 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

Reviewing the Need for a Rate Increase

Recently, there was a lot of media coverage concerning electric utility rate increases requested by a large Kansas company. Increasing electric rates is a serious matter which requires responsible consideration, studies, and analysis. Setting electric rates which are appropriate for the various types of customers and types of consumption patterns is challenging.

> "Presenting the subject of increasing the rates is uncomfortable, but there comes a time when the matter has to be addressed."

Allen Zadorozny

The question of how much should the increase be may hinge on the choice of increasing rates a little that will be good for a short period, then raise the rates again a little a short time in the future, or to raise the rates high enough to last for a long time (hopefully).

Presenting the subject of increasing the rates is uncomfortable, but there comes a time when the matter has to be addressed. Your cooperative's electric rates were set in 1993.

In 2002, due to the beginning of continual large increases in the cost of wholesale electricity (after many previous years in which the wholesale costs remained stable), the cooperative began the Power Cost Adjustment (PCA) charge in order to accommodate this one increased cost. The PCA covers only the wholesale power costs above 5¢ per kWh. The 1993 rates pay for 5¢/kWh, the wholesale power. All other operating expenses are covered by the 1993 rates.

The current rates have met the needs of the cooperative with the help of modest growth in the kWh sales, and with the efforts to limit the operating expenses over which some control can be accomplished. (This is about 25 percent of total costs.)

Logically, at some point, to continue to have the ability to operate the cooperative in an acceptable manner, i.e., electric system maintenance and replacements, continuity of service, employed certified linemen, long-term debt service, appropriate information technology applications, and capable business administration, the cooperative's rates will have to be increased.

Currently, there are no steps being taken to begin a rate increase. We are presenting this to let you know the subject has been, and is, evaluated continually.

I will be glad to visit with you any time to discuss your observations, comments, suggestions, or questions.

Allen A. Zadorozny, Manager

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

Please Participate in Peak Control

This month, 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.

The cooperative members who voluntarily participated helped to save $72,683 on the wholesale power costs in the last eight-month off-peak period.

Please take time to review the key parts of Peak Control on this page. Contact us at 758-2262 or 800-310-8911 if you have any questions. Thank you for your participation in this program.

What is Peak Control & How Can You Help?

For the months of June, July, August, and September, the cooperative is asking you to participate in the "Peak Control" program. This voluntary program can help hold down the monthly wholesale power costs charged to the cooperative.

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.

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.

In Memory of Ralph "Lefty" Tresner

We were saddened to learn of the death of **RALPH "LEFTY" TRESNER** of Sedan on July 9, 2013.

Tresner served on Caney Valley Electric's Board of Trustees from 1985-1994, serving in the positions of Kansas Electric Cooperatives, Inc., representative, Vice President and President of the Board.

Our condolences go out to his wife, Madeline, and family.

Ralph "Lefty" Tresner (left) with former Caney Valley Board member Patty Clark.

Help Prevent Copper Theft:
It Saves the Co-op & Members Money

Caney Valley Electric has experienced several outages lately due to copper theft. Theft has been on the increase due to the increasing price of copper. While trying to make a quick dollar by stealing copper, thieves risk their own lives and cause dangerous and expensive damage. Common targets for copper thieves are farming equipment, air conditioners, vacant buildings, construction sites and electric utility properties, including substations and power poles.

GEORGIA TRANSMISSION CORPORATION

These three voltage regulators were destroyed when a suspected metal thief cut a ground wire. Estimated cost for the lost equipment was $75,000, but the salvage value was only a small fraction of that amount, hardly worth risking a life.

Caney Valley Electric encourages you to help stop copper theft by reporting suspicious activity near any of these locations.

Copper theft from electric utilities is particularly hazardous to thieves and also to those who rely on electricity. In the past few years copper thieves have caused power outages at businesses and homes, shut down traffic lights, and forced hospitals to run on backup generators. In the worst cases, copper thefts have caused fires and explosions that have taken innocent lives.

We would like to suggest the following tips to stay safe and help stop copper theft:

- Never enter or touch equipment inside a substation; stay away from power lines and anything touching a power line.
- If you notice anything unusual with electric facilities, such as an open substation gate, open equipment, hanging wire, etc., contact your electric utility immediately.
- If you see suspicious activities near electric facilities, call the Sheriff's office or your local utility. Do not intervene. Allow officials to handle the situation.
- If you work in construction, store copper securely, especially overnight. Install motion-sensor lights on the outside of your house and business to deter possible thieves.
- Store tools and wire cutters in a secure location, and never leave them out while away.

For more information on staying safe around electricity, visit SafeElectricity.org.

While trying to make a quick dollar by stealing copper, thieves risk their own lives and cause dangerous and expensive damage.

Stay in Your Vehicle if it Comes into Contact with Power Lines

On April 22, parts of Kansas experienced winter weather as sleet and snow fell. A school bus driver in northern Kansas hit a slick spot and the bus, loaded with several school children, went off the road.

The driver went into the ditch, hitting a utility pole on the passenger side of the bus, and the pole fell across the bus. Fortunately, the lines were not energized. However, despite the potential danger, the driver had the students exit the bus. Thankfully, no one was hurt.

The cooperative serving that area first learned of the accident when they started to receive outage calls.

Caney Valley Electric would like to remind you that if you are ever involved in a power line accident, you should call 911 and remain in your vehicle until help arrives. **Never exit the vehicle until you are told by a power company representative that it is safe to do so.**

If, however, the vehicle catches fire, it will be necessary to exit the vehicle even if help has not arrived. Exit the vehicle by standing on the rocker panel and jumping free with both feet together. After exiting do not touch the vehicle again and continue to jump away with both feet together as far as possible.

For more information on electrical safety, visit YouTube and search for videos by SafeElectricity.

It's important to stay in your vehicle if it comes into contact with power lines, like this bus in northeastern Kansas earlier this year.

ENERGY EFFICIENCY TIPS

A Magic Energy Moment

BY DOUG RYE

My wife and I recently purchased some large Desert Rose plants to place on our west-facing front porch. This porch gets extremely hot during summer afternoons, so these beautiful plants should enjoy their new environment. Our porch doesn't look like the plant's native environments of tropical Africa or Arabia. But the direct sunlight, its reflective surface temperatures and Arkansas' humidity produce the heat, light and moisture conducive for these hardy hot-weather plants.

Each morning when we retrieve the newspaper, we notice there are no blooms or color on our new plants, but when we head outside in the afternoon, we are greeted with dozens of beautiful blooms, provided the sun is shining. We enjoy sitting in on that porch during the evenings. With coffee in hand, we enjoy watching the sunset upon our neighborhood.

One evening as we were sitting there, I saw a movement out of the corner of my eye. I looked to the left and saw nothing, except one of the Desert Rose plants. A minute later, I saw movement out of the corner of my eye again. This time I just continued to stare at that plant. I saw one of the blooms shake like it had a chill. There was no breeze, so I thought that an insect or one of our cute little lizards was on the plant stem causing the movement. Then I saw another bloom shake, and then another, and then another. The movement continued for several minutes until all of the blooms were closed. As the sun dropped below the horizon, it seemed as though every bloom had a device that retracted the petals. It was at that moment that I realized that the closing of each bloom was energy in action thanks to Mother Nature.

It really was a magic moment for me because I started thinking of the ways that nature relates to the same energy efficiency measures and messages that we have shared for years.

One of my seminar focal points is "all energy comes from the sun." Thus, a perfect example is the Desert Rose bloom. It remains wide-open to collect as much solar energy and carbon dioxide as possible for survival. The energy collected is essential and must not be wasted. So, the bloom closes at sunset and forms a thermal envelope. Sound familiar?

We've been teaching about thermal envelopes for years–that is the kind used for your house. Simply stated, if your house has minimal air infiltration and is properly insulated, you have a good thermal envelope.

Doug Rye

Furthermore, when the energy you purchase is utilized efficiently, the by-products are a comfortable home, manageable utility bills and conservation of resources.

Another example is a robin's nest on top of my porch column. Being an architect, I enjoy a good construction project. I watched the bird build the nest using mud and straw. The nest is practically airtight, except at the top. Then, Mother robin places her feather-insulated body over the top of the nest, keeping the eggs or hatchlings dry and at the desired temperature. This example of nature and nests is a perfect segue.

Now is a great time for humans to inspect their nest. Does your nest need more attic insulation to improve the comfort within? If you are not sure give me a call at my office at 501-653-7931. Until next month, I hope that you will have your magic moments, too.

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	May 2013	May 2012
Meters Billed	5,567	5,597
kWh's Purchased	5,054,225	5,459,818
Cost per kWh	$ 0.08648	$ 0.08484
kWh Sold	4,976,453	4,001,876
Total Revenue	$ $702,205	$ $605,944
Purchased Power	$ $437,096	$ $463,229
Operating Expenses	$ $199,772	$ $189,619
Depreciation Expenses	$ $51,520	$ $49,266
Interest Expenses	$ $29,907	$ $21,875
Other Expenses	$ $159	$ $1,545
Operating Margins	$ ($16,249)	$ ($119,590)
Non-operating Margins	$ $1,791	$ $1,826
Total Working Margins	**$ ($14,458)**	**$ ($117,764)**
Margins Year-to-Date	**$ $31,602**	**$ ($177,093)**

Outages for June 2013

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

Date	Area	Members Affected	Duration	Cause
6/9	North of Dexter	128	3 hr 45 min	Westar off
6/9	Burden, Cambridge, Atlanta areas	150	3 hr 15 min	Westar off
6/10	Chautauqua substation	886	1 hr 25 min	Westar off - copper theft
6/10	Havana, Wayside, Elk City areas	866	1 hr 25 min	Westar off - copper theft
6/15	Howard area	30	2 hrs	Trees in line
6/22	East of Sedan	55	1 hr 35 min	Lightning
6/27	Southwest of Dexter	30	1 hr 30 min	OCR out