

THE CANEY VALLEY ELECTRIC COOPERATIVE ASSOCIATION, INC.

TheVoice

Caney Valley Electric Cooperative Assn., Inc. Allen Zadorozny—General Manager

Board of Trustees

Patrick Steward
President

Kenneth Bates
Vice President

Carl Johnson Jr.
Secretary/Treasurer

Mack Chrisman
Trustee

Dale Clubine
Trustee

Dwane Kessinger
Trustee

Coral Ann Magnus
Trustee

Fred McAdam
Trustee

Contact Us

401 Lawrence, P.O. Box 308
Cedar Vale, KS 67024
Phone: 620-758-2262
Fax: 620-758-2926
cve@caneyvalley.com.

Office Hours

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

Power Cost Adjustment

The Power Cost Adjustment (PCA) for October is \$.02545/kilowatt-hour. This calculates to an additional \$25.45 per 1,000 kWh used.

The PCA was implemented in 2002 to cover only the increase in power costs 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 bills based on the factor for the month.

FROM THE MANAGER

October is Cooperative Month

In this month's the VOICE, there is a brief history of the cooperative's organization and events through the years.

The forming of the cooperative by dedicated and visionary citizens in this area during the 1940s enabled the convenience of electric power to become a reality.

The cooperative provided a means to obtain electricity without being dependent on the investor-owned utilities, or the small generators in use at that time.

Cooperative Principles

- ▶ Democratic Member Control
- ▶ Members' Economic Participation
- ▶ Autonomy and Independence
- ▶ Education, Training and Information
- ▶ Cooperation Among Cooperatives
- ▶ Concern For Community



By taking advantage of the provisions in the Rural Electrification Act, the availability of electricity was made possible on a widespread basis throughout the cooperative's designated service territory.

Seventy years later, electric utility service is a necessity throughout the rural and urban areas. We pay tribute to those cooperative founders and thank them for their contribution to our way of life we enjoy today.



Allen Zadorozny

“We pay tribute to those co-op founders and thank them for their contribution to our way of life.”

Caney Valley Electric Board Vacancy

The Cooperative has a vacancy that needs to be filled from District No. 3. This district's boundaries are as follows: Montgomery and Chautauqua counties east of Range 10. This includes the cities of Sedan, Chautauqua, Peru, Niotaze, Havana and Wayside and surrounding areas north to the Elk County line, and south to the Oklahoma line.

Please contact Allen Zadorozny, Manager, if you are interested in serving on the cooperative Board, or if you would like to recommend someone to serve by calling 620-758-2262.

The History of Caney Valley Electric

In recognition of Cooperative Month, we would like to tell you a little about the history of your local electric cooperative.

The Caney Valley Electric Cooperative Association was organized just prior to World War II during the summer of 1940 as a result of meetings of farmers in schoolhouses where the Rural Electrification Act (REA) was discussed. Articles of Incorporation, signed by 20 farmers from Chautauqua County, were filed with the Secretary of State on August 21, 1940, authorizing 1,000 shares of common stock.

The articles were later amended in 1950, increasing the common stock to 6,000 shares at \$5 par value. Nine Trustees were named in the articles to serve on the Board.

Almost immediately, a membership drive was started. By July 1941, the membership list reached 200, the 20 percent required by law for the group to do business.

The cooperative became a member of the statewide association, Kansas Electric Cooperatives, Inc., in November 1941. This was the last major action of the Board before the organization became inactive for the duration of the war.

The organization was reactivated in May 1945. The first loan funds were granted from the REA in July 1945, for \$200,000 to build 198 miles of line to serve 356 consumers. These funds were obtained at two percent interest. Today the cooperative's long-term obligations are approximately \$9,000,000 with a portion borrowed from Rural Utilities Service (RUS) at five percent, and the balance from the National Rural Utilities Cooperative Finance Corporation (CFC) at variable rates, currently near five percent.

Caney Valley has been served by many fine Managers since our incorporation, including:



Caney Valley's line crew in Spring 1957 pose in front of the cooperative office. Front row, from left: Vic Bohannon, Gerald "Shorty" Magnus, Rollin Champlin, Swede Gordon, Floyd "Pat" Patteson and Ray Wallace. Back row, from left: Ralph Shaff, Doyle Littrell, Melvin "Buck" Melton, Homer McCann, Russell McNown and Robert "Bob" Brown.

- ▶ **CARL A. STEWARD**, Cedar Vale—July 1946–October 1974
- ▶ **ROBERT L. BROWN**—1974–April 1990
- ▶ **GERALD D. MAGNUS** (interim)—April–November 1990
- ▶ **JOHN M. SHEPPARD**—November 1990–1994.
- ▶ **DAVID A. VINCE**—1994–May 1999
- ▶ **BONNIE CAMPBELL** (interim)—May–August 1999
- ▶ **ALLEN ZADOROZNY**—August 1999–present

In May 1948, seven years after contractors began building distribution lines, 60 miles of the first section were energized.

The property of the Inland Utilities Company, a private firm in the Sedan area, became available for purchase in October 1948. The Caney Valley Board seriously considered purchasing the Inland Company, including their generating plant, because of problems in providing service to cooperative applicants in that area. The purchase was made in July 1949, and approximately 2,000 new members became part of the Caney Valley Cooperative.

By 1955, the cooperative was serving 4,126 consumers, and today approximately 5,544. In 1955, the 4,126 consumers were using 11 million kilowatt-hours annually, with our own generation providing 64 percent of the requirements. This compares to the present 5,503 consumers who used 56,249,136 kWh in 2009.

Of course, average usage went up in a large

Recipes from Caney Valley's Members

part due to the use of air conditioning, washers, dryers, frost-free refrigerators, microwaves, and computers, which were not widely available when the cooperative first began. Commercial consumers led by the oil and gas industry have added significantly to increased electric consumption.

The cooperative operates in all of Chautauqua County and parts of Elk, Cowley, Butler and Montgomery counties, with most of the facilities being in Chautauqua, Elk and Cowley counties. We operate on a total of 1,740 miles of transmission and distribution line.

Power is now purchased through Kansas Electric Power Cooperative (KEPCo), who currently relies on electric power contracts of which a large portion is with Westar Energy (KG&E) to serve Caney Valley. As service contracts end and power supply circumstances change, the source of wholesale power provided by KEPCo could be from other sources. Caney Valley is a member-owner of KEPCo and a Caney Valley Board member represents the cooperative's interests on the KEPCo Board of Trustees.

The Cooperative still has nine Trustees on its Board, and currently has 20 full-time and one part-time employee.

The Trustees govern the cooperative's operation, and members of the cooperative can contact any of them at any time for information regarding Caney Valley Electric. They meet on the second Tuesday of every month at the cooperative's office in Cedar Vale.



Linda Bowlin



Lee Taylor

The following recipes were submitted by Linda Bowlin and Lee Taylor, Atlanta. Linda has been a member of Caney Valley Electric since November 1980.

CORN RELISH SALAD

- | | |
|-----------------------------------|--------------------------------------|
| 1 tsp. salt | 1 lg. can French green bean, drained |
| ¼ tsp. pepper | 1 lg. can white corn, drained |
| 1 c. sugar | 1 c. chopped onion (red for color) |
| 1 Tbl. water | 1 lg. can LeSeuer peas, drained |
| ½ c. oil | 1 small jar chopped pimientos |
| ¾ c. cider vinegar | |
| 1 lg. can sliced carrots, drained | |
| 1 c. chopped celery | |
| 1 c. diced green peppers | |

Boil together salt, pepper, sugar, water, oil and vinegar. Let cool. In separate bowl mix together vegetables. Pour dressing over vegetables when cool.

CARROT CASSEROLE

- | | |
|---|--|
| 4 c. sliced carrots (2 lbs) | Cook carrots for five minutes. Drain. Stir in butter and onions. Pour in 9x13 casserole. (May be made ahead to this point and refrigerated.) Layer cheese on top, and top with crushed potato chips immediately before baking. Bake at 350 for 30 minutes. |
| ½ stick butter | |
| 1 small onion, chopped (may sauté onions) | |
| Sliced Velveeta cheese | |

PINEAPPLE CASSEROLE

- | | |
|--|---|
| 1 c sugar | Mix sugar and flour with pineapple chunks, drained. Reserve liquid. Gently cover pineapple with sugar/flour mixture. Add shredded cheddar cheese and gently mix. Put into 8x8 greased casserole. Top with crackers mixed with melted butter and 6 Tbl. of reserved pineapple juice. Spread on top gently. Bake at 350 for 25 minutes. |
| 6 Tbl. flour | |
| 2 extra large cans of pineapple chunks | |
| 2 c shredded cheddar | |
| 1 c crushed Ritz crackers | |
| 1 stick butter, melted | |

How to Submit

To submit your recipe please send the following information:

- ▶ Your name
- ▶ Contact information
- ▶ Photo of yourself with the finished product (if possible)
- ▶ The recipe (clearly printed or typed)

We will continue to run recipes as long as we receive them. Send your entry to:

Caney Valley Electric
Attn: Recipes
P.O. Box 308
Cedar Vale, KS 67024
E-mail to cve@caneyvalley.com

Cold Weather Rule Begins November 1

The Kansas Corporation Commission (KCC) adopted a statewide, uniform Cold Weather Disconnection Rule on March 20, 1989, which governs termination or restoration of utility service when consumers are financially unable to pay utility bills from November 1 to March 31 annually.

Caney Valley Electric has adopted this Cold Weather Disconnection Rule with certain modifications to accommodate our consumers.

Cooperative members who are unable to pay their electric service bills during the cold weather period may qualify for this program, **provided they fulfill certain good faith requirements when attempting to pay.**

The requirements members must meet to qualify for the program are summarized below:

- ▶ Members must notify the cooperative and state their inability to pay their service bill in full.
- ▶ Members must apply to federal, state, local or other financial assistance programs for which they may be eligible to receive aid in paying utility bills.

Members must make an initial

minimum payment equal to 1/3 of the total amount due the cooperative which includes any arrearage. (Example: If a customer owed an arrearage of \$200 and a current bill of \$40, they would owe the cooperative a total of \$240. The initial payment under the Cold Weather Rule would be equal to \$240 divided by three, or \$80.) **All previous arrearage average payment plans must be paid off before entering into another plan.**

- ▶ Members will be required to enter a level payment plan agreement for past, current and future charges for electric service, with arrears paid in equal installments over the next two months. A consumer and the cooperative may negotiate other payment arrangements mutually agreeable, individualized to the consumer's situation, providing the most appropriate terms, after the consumer has been informed that he or she has at least two months in which to pay under the Cold Weather Plan.
- ▶ Members will be required to provide sufficient financial information to enable the coopera-

tive to determine an appropriate payment agreement.

Please note that consumers may be ineligible for the benefits under the Cold Weather Disconnection Rule if they fail to follow the above requirements, illegally divert utility service, receive service by tampering as defined by KCC rules or default on a payment agreement.

During the cold weather period, your cooperative will do the following:

- ▶ Inform you of agencies or organizations which may provide financial assistance in paying utility bills.
- ▶ Not disconnect service until the consumer is personally contacted or a notice is posted on the consumer's premises the day before disconnection is to take place.

In no event will the cooperative disconnect service if the temperature is forecast to fall below 30 degrees F. within 24 hours following the time of disconnection.

The Cold Weather Rule is to ensure that human health and safety are not unreasonably endangered during the cold weather months.

Outages for August 2010

Occasionally, a part or parts of the delivery system fail and an outage occurs. Below are the larger outages that occurred during August 2010.

Date	Area	Members Affected	Duration	Cause
8/3	NE of Sedan	50	40 min	OCR off at highway
8/3	NE of Peru	40	25 min	OCR off
8/6	East of Hewins	25	1 hr 45 min	Accident-burn down on phase wire
8/7	Boy Scout Lake line	30	30 min	OCR off
8/14	Grenola, Moline, Howard	488	4 hrs	Westar 69KV line down
8/14	Sedan, Cedar Vale & Phillips substations	2500	1 hr 15 min	Westar 69KV line down
8/15	North of Havana	60	6 hrs	High winds wrapped up phase wires
8/21	Longton area	80	3 hrs 20 min	Trees on line west of Longton
8/28	North of Grenola & Moline	45	3 hrs	Buzzard on transformer
8/31	West of Dexter	40	3 hrs 10 min	OCR off

Operating Statistics

For Month Ending	July 2010	July 2009
Meters Billed	5,544	5,519
kWh Sold	5,677,281	5,024,540
Total Revenue	\$ 776,111	\$ 664,264
Purchased Power	\$ 506,101	\$ 419,646
Operating Expenses	\$ 176,661	\$ 164,833
Depreciation Expenses	\$ 45,874	\$ 44,364
Interest Expenses	\$ 23,063	\$ 37,729
Other Expenses	\$ 325	\$ 232
Operating Margins	\$ 24,087	\$ (2,540)
Non-operating Margins	\$ 1,869	\$ 1,959
Total Margins	\$ 25,956	\$ (581)
Margins Year-to-Date	\$ 6,915	\$ 63,648