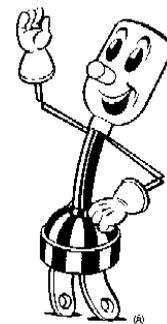


The Twin Valley Electric Cooperative, Inc.

"Owned By Those We Serve"



June 2007

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From the Manager...

The Board of Directors recently met at the Eisenhower Training Center at the Wolf Creek Nuclear Plant for a strategic planning session.

Strategic planning implies forward thinking and anticipation of the future. It is the process of identifying future goals and how to achieve them. Resources will be utilized and decisions made to achieve desired future goals. Stuart Lowry, Executive Vice President and General Counsel for the Kansas Electric Cooperatives, Inc., served as the facilitator for the planning session.

The Board is focusing on the following issues relative to the future of Twin Valley Electric Cooperative:

- 1) How does the cooperative ensure that superior service is provided to the members,
- 2) How can the cooperative most effectively control power costs,
- 3) How does the cooperative insulate itself from potential fluctuations in loads in the future, and
- 4) How can the cooperative assist with economic development in our service territory.

Many of the issues relating to providing superior service to you revolve around maintaining the proper staffing levels at the

cooperative.

Discussions included consideration of implementing alternatives to permanent staff in appropriate situations, such as the use of contract employees and possibly shared employees with neighboring cooperatives.

There is a concern that there will be a shortage of qualified journeyman linemen in the not too distant future due to the number of linemen reaching retirement age. The Board is considering different options for developing a workforce pool through recruiting, training and scholarships, as well as maintaining competitive wages and benefits.

The cooperative needs to be prepared for changes to the wholesale rate structure that will likely occur early next year. Consideration is being given to designing retail rates that match the wholesale price drivers. The membership will need information on energy efficiency options that can reduce the overall electric usage and thus the cost, as well as creating incentives for customer-owned renewable generation. Priority was given to control power costs by implementing load management and load control practices, as well as developing

incentive rates to encourage cost effective usage by the membership.

The cooperative has taken steps to insulate itself from potential fluctuations in load by implementing line extension policies. These policies encourage growth and protect the cooperative from a loss due to stranded plant investment while seeking out opportunities for growth in load and system size.

Twin Valley Electric Cooperative can assist with economic development in the cooperative service territory by forming alliances with other stakeholders in the economic well being of the area. The cooperative is willing to assist with REDLG loans and grants where appropriate. The cooperative will also be developing further action plans to promote the cooperative and the service territory as a desirable place to do business, utilizing the Touchstone Energy brand to the fullest extent.

Following the strategic planning session, the Board was given a tour of the Wolf Creek Nuclear Plant by the Wolf Creek management staff.



Ron Holsteen

Twin Valley Annual Meeting Review

Twin Valley's meeting was held on April 20 at the Labette County High School. Nearly 60 members attended the meeting at the school's new cafeteria.

April Wheeler, 2006 Youth Tour delegate, gave a presentation and displayed the scrapbook she created from her trip. Les Evans, Vice President of Power Supply, KEPCo, gave a presentation on the current power supply situation and what is in the works for KEPCo members.

Employees Tyler Kennett



Kenny Cole, Special Projects Supervisor accepts Twin Valley's "No Lost-Time" award at the Annual Meeting.

and Joe Brooks, and Board members Wayne Revell and Tom Ellison were all presented with five-years-of-service awards.

Twin Valley Electric received a certificate for "No Lost-Time" award from the Kansas Electric Co-operative for 99,239 man hours worked from June 14, 2004, to December 31, 2006. Kenny Cole, Special Projects Supervisor, was presented the certificate at the Annual Meeting.

Re-elected to the Board were Norman Leistikow, Daniel Peterson, and Larry "David" Hubbell.

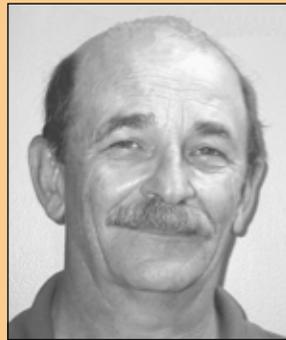
Years of Service Awards



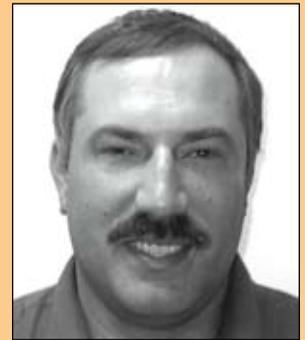
Joe Brooks,
Journeyman/Lineman
5 years of service



Tyler Kennett,
Journeyman/Lineman
5 years of service



Tom Ellison,
Trustee
5 years of service



Wayne Revell,
Trustee
5 years of service

Many door prizes were distributed at the Annual Meeting. The grand prize this year was a flat-screen television, which was won by Keith Tucker, Altamont.

Following the meeting, the membership enjoyed cookies and ice cream.

Youth Fishing Pond Planned for Neosho State Fishing Lake

Twin Valley Electric Cooperative recently donated the funds necessary to create a kids fishing pond below the dam of the Neosho State Fishing Lake.

Kids and adults looking for an exclusive area to fine tune a young angler's skills will finally have such a place. This pond should provide numerous young anglers an excellent opportunity to experience a high success rate.

The youth fishing pond is scheduled to be

open for fishing some time this summer. The pond will then be stocked with bluegill, redear sunfish, largemouth bass, and channel catfish.

Youth age 15 and younger will be allowed to fish in the pond as well as the adult accompanying the youth as long as the youth is actively fishing. Though limits have not been set at this time, kids will be allowed to keep a portion of the fish that they catch, however, the accompanying adult will not be allowed to keep any fish.