



A Touchstone Energy® Cooperative 

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www.twinvalleyelectric.coop

TWIN VALLEY ELECTRIC COOPERATIVE

NEWS

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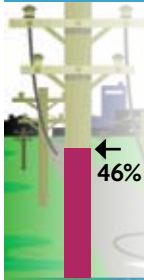
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Office Hours
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Contact Us
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www.twinvalleyelectric.coop

FEMA Rebuild Update



As of December 15, we have completed 46% of Federal Emergency Management Agency (FEMA) rebuild work.

FROM THE MANAGER

Twin Valley Returns \$83K to Members

It's time for you to get the credit—capital credits, that you deserve for helping build and sustain your local electric cooperative.

You might not realize it, but when you signed up to receive electric service from Twin Valley you became a member—and owner—of an electric utility. While investor-owned utilities return a portion of any profits back to their investors, electric co-ops operate on a not-for-profit basis. So instead of returning leftover funds, known as margins, to investors who might not live in the same region or even the same state as you do, we periodically issue capital credits based on how much you paid the co-op for electricity during a specified period.

At the end of each year, when all the cooperative's expenses are paid, the money left over is classified as margins. Twin Valley proportionately divides margins among all the members who received service during that year. Each member's share of the margins is their capital credit.

The cooperative maintains a capital credit account for each member. Annual allocations of margins are added to each member's capital credit account, which includes amounts from other years. The account represents each member's share of ownership equity in the cooperative. Twin Valley Electric retains members' capital cred-

its as equity. The cooperative's lending institutions require a certain level of equity. Capital credits are typically retained for 20 to 30 years. Then, as financial conditions allow, Twin Valley Electric returns capital credits to members.

In November, the Twin Valley Board of Directors authorized retirement of the capital credits allocated for 1988, 1989 and 1990.

This year, members from 1988, 1989 and 1990 will receive your capital credits refund through a check in the mail, reflecting your ownership of the cooperative during those years. That may seem like a long time ago. During those three years, Twin Valley saved part of what was paid by members to cover operating expenses and to build and maintain a reliable electric delivery system.

This check represents your pro-rata share of the cooperative's margins earned in 1988, 1989 and 1990. In December, Twin Valley returned more than \$83,000 to approximately 1,800 members like you across portions of four counties served by the cooperative.

For more information on this rewarding part of cooperative business, read the following Q&A on page 16-B of this newsletter.

Thank you for your patronage and support.



Ron Holsteen

Twin Valley returned more than \$83,000 to 1,800 members like you across portions of four counties.

Notes from Operations



William Worthy

December 7, 1941, a day that still lives in infamy for all in this great country. December 7, 2010, will be a day that your cooperative will not soon forget.

Most of our members in the southwest area of our system had their service interrupted briefly that morning as we took on the task of changing out the transformer in our Mound Valley Substation. With the switching complete, we went through the process of tearing down the old transformer and prepping the new one.

A very experienced contract crew, working alongside Twin Valley crews, along with a local crane company hired to place the 80,000 pound transformer into place, set up to make this happen smoothly. The switch was going well until the Law of Murphy reared its head.

As pieces were added to the new transformer, the gauges that measure the liquid level in the new transformer did not respond in an appropriate manner. Upon further investigation, opening a small portal into the top of the transformer, the float on the back of the gauge was not where it was supposed to be. It was nowhere in sight. The nail biting and phone calls began. We could not energize the transformer with a seven inch rod floating loose somewhere in the massive tank.

The crane company was long gone and we faced the daunting task of having to leave the affected members on the

alternate feed overnight. We were pushing the limits of our system and it was a long night as all of your Twin Valley linemen were placed on standby in case the cold temperatures gave us problems with keeping the lights on. As the sun rose Wednesday morning, we were blessed that the system held and no one went without power.

The decision process started on what we were going to do. The transformer manufacturer was investigating what happened, but with no firm response from them, it left us in a pinch. The phone calls began again. Obtaining a 120 ton crane is not an easy find on such short notice. After several phone calls and hearing “next week”, “next month”, etc. It was not looking good.

Finally we found a crew from the state to our south. After explaining the situation, I was told, “They’ll be there by two.”

At just after 2 p.m., here came the cavalry. The new transformer was ready to be moved, and old faithful was ready to set back in place. When the dust cleared, the old transformer was installed and the nerves fired up again as thoughts of the possibility that something might have been damaged or came loose in the old one crept in. We put those fears away, and the sun was setting when the switch was thrown.

With the tiniest of an arc, 138,000 volts brought the old one back to life. After verifying the output voltage was correct, the waiting game began. The transformer



Old faithful going back in.

had been setting overnight in sub freezing temperatures, and the oil had to be heated before load could be added. After 30 minutes, and the sun tucked away for the night, the switching began.

Our understanding membership being interrupted one more time, the load was switched back to the normal feed. Seeing the lights come back on as the old transformer held like a trooper, was a good feeling. Rest would come easier that night.

We are working with the transformer manufacturer in hopes to get the issue resolved and we will be trying this again in the spring.

I would like to thank all of our membership who were affected for their understanding and patience as we make your electric cooperative more reliable and more capable to handle our growing system. Happy 2011 to all!

Capital Credit Q&A

What are capital credits?

Retained margins left over at the end of a year at a not-for-profit electric co-op. Capital credits represent the most significant source of equity for Twin Valley. Since a co-op’s “shareholders” are also the people the co-op serves, capital credits reflect each member’s ownership in the co-op. This differs from dividends investor-owned utilities pay shareholders, who may or

may not be customers of the utility.

Where does the money come from?

Member-owned, not-for-profit electric utilities like Twin Valley set rates to generate enough money to pay operating costs and make payments on any loans. At the end of each calendar year, we subtract operating expenses from the total amount of money collected during the year. The balance is called a “margin.”

How are margins allocated?

Margins are allocated to members as capital credits based on their purchases from the co-op—how much power the member used. Member purchases may also be called patronage.

Why does my co-op refund capital credits?

Doing so follows one of our seven co-op principles—Members’ Economic Participation. This principle states: “Members allocate surpluses for any or all of the following purposes: developing the co-op, possibly by setting up

Continued on page 16-C

Attention High School Juniors

Don't Miss this FREE Trip of a Lifetime!

Twin Valley Electric Cooperative, Inc., will send one high school junior to the "Government in Action" Youth Tour in Washington, D.C., and one to the Cooperative Youth Leadership Camp in Steamboat Springs, CO.

To Qualify

The applicant must be a high school junior living within the cooperative's territorial boundaries and the child of a Twin Valley Electric member.

To Apply

Applicants will be expected to study and take a quiz over information sent by Twin Valley regarding electric cooperatives. There will also be a short interview to pick the winner. All participating students will receive a prize.

To apply please complete, sign



Kansas delegates will attend Cooperative Youth Leadership Camp July 9-15, 2011.



Students from Kansas join more than 1,500 youth in Washington, D.C., this year's Youth Tour is scheduled for June 9-16, 2011.

and return the application below to Twin Valley, PO Box 368, Altamont, KS 67330.

Youth Tour Selection Process

Applicants must complete an application and return it to the cooperative office by March 16, 2011. Finalists will be quizzed and interviewed by a panel of judges at the cooperative offices on April 1, 2011.

For More Information

For more information contact Jennifer at 866-784-5500.

Capital Credit Q&A

Continued from page 16-B

reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-op; and supporting other activities approved by the membership."

Does Westar or municipal systems refund capital credits?

No. Capital credits only exist at not-for-profit electric co-ops owned by their members.

Are capital credits refunded every year?

Each year, the Twin Valley Board of Directors makes a decision on whether to refund capital credits based on the financial health of the co-op. During some years the co-op may experience high growth in the number of new accounts added or severe storms may result in the need to spend additional funds to repair lines. Both events might keep member equity low, causing the board to defer any capital credits refunds. For this reason, Twin Valley's ability to return margins to members in the form of capital credits reflects the co-op's strength and financial stability.

Do I lose my capital credits in the years the co-op decides not to make refunds?

No. All capital credits from every year members have been served by Twin Valley are maintained until such time as the board refunds them. Prior to this year, Twin Valley has refunded all capital credits from through 1987.

Application for Youth Tour Contest—Due March 16

Name of Applicant _____

Address _____

City _____ State _____ Zip _____

Birth Date _____ Twin Valley Account # _____

Name of Parents or Guardians _____

Parents' Phone Number _____

School _____

I agree that all information supplied in this application is accurate and true.

Signature of Applicant _____

I hereby grant permission for the above named applicant to enter the 2011 Youth Tour competition sponsored by Twin Valley Electric Cooperative, Inc.

Signature of Parent or Legal Guardian _____

Take Advantage of these Local Discounts with Co-op Connections

► Scentsy, Monte Hermreck, Altamont—\$5 off a \$50 order

► Altamont Builder's Supply, LLC, Altamont—5% discount on paint and paint supplies. \$1 off a bag of cat or dog food.



COMMUNITY SPOTLIGHT

Mom's Best Brings Home-Style Cooking to You

JANELLE AND LEWIS GOINS, owners of Mom's Best Catering in rural Oswego, were looking to make a little extra income for their family of six while home-schooling their four children, Zachary, now 18; Jacob, 17; Micajah, 13; and Abby, 9. The small business began in the summer of 2002 as the family started selling baked items and garden produce in the park, which in turn became the Oswego's Farmers Market.

"At Mom's Best, we believe family time at meal time is important," Janelle said. "My husband Lewis and I both grew up in homes with stay-at-home moms who prepared a full meal for the family each evening – no TV trays, no eating on the run, no fast food. Instead, we had a full-course meal at the table with all the family."

The family business took off in 2005 when Janelle received her license for her frozen entrees and catering. She now considers it a full-time job, as not a day goes by that she is not

grocery shopping, making deliveries, doing bookwork or baking.

Consequently, one of the goals at Mom's Best is to make home-cooked meals practical and possible in today's two-income, fast-paced world. Their entrée line of products is prepared with the finest ingredients, convenient packaging and easy but tasty side dish suggestions. There is no lengthy preparation for your main course, no ingredients to gather, no pans to wash—simply thaw and bake. Most entrees easily serve a family of four or more.

An unexpected niche market has developed for Mom's Best products, says Janelle. "Many customers who have enjoyed the convenience of the frozen entrees order them when

someone they know is having hard times such as extended illness or family loss. And of course cinnamon rolls and pies are great comfort foods. We feel grateful that our business can be a blessing to people at times like that."

Another opportunity for the business has come in the form of fund raising for individuals and organizations. Having a delicious product that is already known in the community makes it easy. In the fall of 2010, the Labette County High School's Library Club contacted Mom's Best about helping them with a fundraiser. They sold over 500 orders of cinnamon



Above and below, fresh bread and homemade cinnamon rolls right out of the oven are just two favorites at Mom's Best Catering.



rolls, baked and delivered fresh, over the course of four days.

Besides the baked goods and frozen entrees, the catering side of the business is growing every year as well. "We have catered family reunions, weddings, class reunions, and other events," Janelle said. "And several businesses in the Parsons-Oswego area use us frequently for company events or holiday dinners."

Janelle is happy to help with any order, no matter how big or small. The children gladly help with quality control. "Tasting the bread," Abby says is her favorite job.

The Goins family are current members of Twin Valley Electric and have been since 2000.

If you would like to view what Mom's Best has to offer, visit their website at www.momsbestcatering.com or call 620-795-4235 or 620-778-2732. Mom's Best is located at 11068 Victory Road in Oswego.



Janelle Goins displays a pan of their signature cinnamon rolls.