



A Touchstone Energy® Cooperative 

501 S. Huston Ave, P.O. Box 368, Altamont, KS 67330
866-784-5500
www.twinvalleyelectric.coop

TWIN VALLEY ELECTRIC COOPERATIVE **NEWS**

Twin Valley Electric Cooperative, Inc.

Ron Holsteen General Manager

Board of Trustees

Daniel Peterson
President

Bryan Coover
Vice President

Ronald McNickle
Secretary

Larry Hubbell
Treasurer

Michael Allison
Trustee

Tom Ellison
Trustee

Bryan Hucke
Trustee

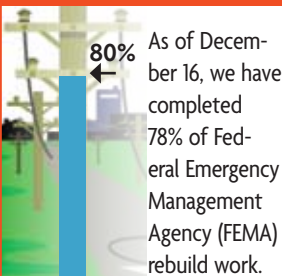
Wayne Revell
Trustee

Robert Webster, Jr.
Trustee

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

Contact Us
501 S. Huston Ave., P.O. Box 368
Altamont, KS 67330
620-784-5500
www.twinvalleyelectric.coop

FEMA Rebuild Update



From the Manager

I would like to wish everyone a Happy New Year. We are certainly looking forward to the New Year and hope that it is a more “normal” year. 2011 was an extraordinary year with flooding, extremely hot weather and generation outages, all causing higher utility bills to our members and resulting in much higher wholesale power costs for Twin Valley,

About 30 percent of our power requirements come from the Wolf Creek Generating Station in Burlington. Every 18 months, Wolf Creek needs to be refueled. The used fuel rods are removed from the reactor and new ones installed. This process normally results in approximately a 45-day outage and is scheduled during our low usage months. Unfortunately, last spring the outage lasted for 98 days, getting into the higher usage summer months. During an outage, Wolf Creek does not produce any energy, so our power supplier, Kansas Electric Power Cooperative (KEPCo), must replace that energy with energy from other sources—which is often more expensive.

At the same time, the flooding on the Missouri River impacted the Iatan 2 Generating Unit located in Weston, MO, just north of Kansas City. The Iatan 2 Plant provides about 12 percent of our power requirements. The plant was com-

pletely surrounded by water and the rail spur used to deliver coal to the plant was under water. Coal deliveries were suspended and the plant operated at about 60 percent capacity for over a month until the water receded and coal deliveries could be resumed. Again KEPCo had to purchase replacement power at a higher cost.

The 30-plus days of triple-digit heat resulted in record demands for the consumption of electric power by our members. All of these factors resulted in some very high electric bills last summer and these factors are still causing the energy cost adjustment (ECA) to be higher than would normally be expected. Twin Valley’s wholesale power costs have increased by about 20 percent as a result of these events.

We are currently conducting a cost-of-service study and rate review to determine if we will need to make any changes in our rate tariffs in order to meet our financial requirements for the future. If you have any questions, please give me a call at the office at 866-784-5500 or you can go to our website www.twinvalleyelectric.coop for more information and find more energy saving tips.



Ron Holsteen

Co-op Power: Reliable, Affordable & Environmentally Responsible

At Twin Valley Electric, we have three top priorities: provide you safe, reliable access to electric power; offer that service as affordably as possible; and do both of those things in a fiscally and environmentally responsible fashion.

Because Twin Valley Electric is a not-for-profit enterprise, which means your money stays local, we don't have to worry about distant shareholders—we are well-positioned to make any necessary investments for ensuring safe, reliable and affordable electricity. However, fulfilling our commitment to environmental stewardship in a fiscally responsible manner has become more challenging. Today, many environmental laws that were adopted by Congress decades ago are being used by federal agencies and the courts to address issues for which they were never intended.

For example, the federal Clean Air Act is now 40 years old and was last amended in 1990—more than two decades ago. Much has changed in the intervening years, including technology, our understanding of the environment and the electric utility industry.

Today, officials with the U.S. Environmental Protection Agency (EPA)—often under court order—are trying to modify the Clean Air Act to fit new circumstances. Without a doubt, new EPA rules being issued will wind up back in the courts—and lengthy litigation will ensue.

Reasonable people can and will disagree over how to find a balance between protecting the environment, guaranteeing a reliable supply of power, and keeping electric bills affordable. Under the right circumstances, Congress eventually will have to revisit the Clean Air Act and update it to fit the needs of the 21st century. In the meantime, Twin Valley Electric will keep you updated on our efforts to encourage lawmakers and regulators to strike the proper balance on these concerns.

NOTES FROM OPERATIONS

Reflecting on the Past & Moving Forward



William Worthy

On October 27, 2012, Twin Valley Electric Cooperative will celebrate 65 years of serving the rural areas of Labette County and parts of Neosho, Montgomery and

Cherokee counties in Southeast Kansas. A Charter from the Rural Electrification Administration (REA) was granted to Twin Valley in September 1945 and two years and a month later, 119 farms received electricity for the first time.

An electric cooperative is tasked with the delivery of electricity to remote or rural members. Profits are either reinvested for infrastructure or distributed to members in the form of “patronage” or “capital credits.” A patronage or capital credit is a dividend paid on a member's investment into the cooperative. Each customer is a member and owner of the business with an equal say as every other member of the cooperative, unlike investor-owned utilities (IOU) where the amount of say is governed by the number of shares held.

Many such cooperatives exist in the rural United States, and were created by FDR's New Deal between 1933 and 1936 to bring electric power and telephone service to rural areas. Most of the municipal or IOUs would not provide service, believing there would be insufficient revenue to justify the capital expenditures required.

In 1950, Twin Valley averaged two meters per mile of energized line, and that number has gotten slightly higher to 3.3 meters per mile. Compared to what most of the IOU's have, we still have a lot of line between our meters. All electric cooperatives strive to bring the best service at the lowest possible cost, but often the high cost of maintaining the infrastructure needed to cover large, rural areas without the sup-

port of large cities as a rich customer base causes prices to be high. As we look back, many things have changed at your electric cooperative.

Let's go back to 1950, when the number of members served by Twin Valley went from 119 in 1947 to 1,218. Twin Valley's revenue was \$6,520. That came from 106,258 kilowatt-hours (kWh) sold over 588 miles of energized line. The average member usage was 87.2 kWh per year or 7.2 kWh per month. The cooperative had nine employees, which worked out to be one employee for every 135 members.

In 2010, Twin Valley had revenues of \$5.3 million. This came from 39.9 million kWh sold over 965 miles of energized line. The average member usage in 2010 was 12,511 kWh per year or 1,042 kWh per month. Now, we have 19 employees that figures out to be one Twin Valley employee for every 168 members. With the advancement in technology, Twin Valley has learned to do less with more as good stewards of your cooperative should. Quite a difference, don't you think?

Twin Valley continues to see our number of members rise and hopes for new residences and businesses to continue to build on our lines. This will bring great rewards to all members of the cooperative.

As reported in last month's *Notes*, we changed out the transformer in our Mound Valley Substation, doubling the capacity. The old transformer was at 80 percent load and had been in service for 28 years. This was a proactive step for your cooperative and will be able to meet the challenges of anticipated growth now, and in the future.

Until next month, have a great start to 2012. As always, I welcome any comments or questions. If you have a question or something you would like covered in this forum, please feel free to contact me at wworthy@wavewls.com.

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



Students from Kansas join more than 1,500 youth in Washington, D.C. This year's Youth Tour is scheduled for June 14-21, 2012.

Youth Tour Selection Process

Applicants must complete an application and return it to the cooperative office by March 9. Finalists will be quizzed and interviewed by a panel of judges at the cooperative offices on March 30.

For More Information

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



Kansas delegates will attend Cooperative Youth Leadership Camp July 14-20, 2012.

Application for Youth Tour Contest—Due March _____

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 2012 Youth Tour competition sponsored by Twin Valley Electric Cooperative, Inc.

Signature of Parent or Legal Guardian _____

Get Co-op Updates on Facebook, Text or E-mail



Twin Valley Electric Cooperative on

facebook

Did you know you can receive Twin Valley alerts at your fingertips? Send us your e-mail address

or cell phone number to receive e-mail or text. Join us on Facebook for updates from Twin Valley.

To join us on Facebook, simply search for Twin Valley Electric Cooperative and click on the “like” button. You can also visit our website at www.twinvalleyelectric.coop.

Once we receive your cell phone number, we will add you to our alert list. Alerts will be issued only on those days where we predict our loads will set a new billing level. All applicable text messaging rates will apply.

Sign Up Today to Receive E-mail & Text Alerts!

Complete and return this form to Twin Valley Electric, P.O. Box 368, Altamont, KS 67330

Name _____

Address _____

City _____

State _____

Zip _____

Twin Valley Account Number _____

E-mail Address _____

Phone Number _____

I hereby grant permission for Twin Valley Electric Cooperative to send me alerts via e-mail and text. The information will not be used for any other purpose. I acknowledge that any applicable text message rates will apply and will not be reimbursed by Twin Valley Electric Cooperative.

Signature _____

A New Year for Efficiency—Opportunities to Save

Many people turn over a new leaf at the beginning of a new year by making a resolution. Losing weight, exercising more, and quitting smoking top the list for some, but this year why not make a resolution to stop wasting money?

There are a number of actions you can take to help keep money in your pocket. Tackling all of these actions at once can be overwhelming, but spaced out over a year, they are more manageable. The following are a couple of “To Do” lists for the new year to get you started saving money.

Efficiency actions that can be taken in the next few weeks:

- ▶ Buy and install low-flow showerheads, faucet aerators, and compact fluorescent lamp (CFL) bulbs from a hardware or home improvement store.
- ▶ Put a water heater blanket on your older water heater to help water in the tank stay hot.
- ▶ Apply rope caulk to very leaky window frames, where significant energy loss may occur from air infiltration.
- ▶ Assess your heating and cooling systems, and determine if replacements are justified or whether you should retrofit them to make them work more efficiently and provide

the same comfort (or better) for less energy.

Efficiency actions that can be taken in the next few months:

- ▶ Separate your electricity and heating oil/natural gas bills. Target the biggest bill for energy conservation remedies.
- ▶ Find out what level of insulation is recommended for your area at EnergySavers.Gov. Then crawl into your attic and/or crawlspace, and inspect the insulation in order to determine if there is enough. If not, add the appropriate amount.
- ▶ Insulate hot water pipes and ducts wherever they run through unheated areas.
- ▶ Seal up the largest air leaks in your house. The worst culprits are usually not windows and doors, but plumbing penetrations, gaps around chimneys, and recessed lights in insulated ceilings and unfinished spaces behind cupboards and closets.

Some longer term projects to think about are replacing aging, inefficient appliances and upgrading leaky windows. It is also a good idea to have your heating and cooling systems tuned up every fall and spring. For more information on home efficiency, go to EfficiencyResource.org.

Statement of Non-Discrimination

Twin Valley Electric Cooperative, Inc., is a recipient of federal financial assistance from the Rural Utilities Service (RUS), an agency of the U.S. Department of Agriculture. In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.)

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Ron Holsteen, General Manager, of Twin Valley Electric Cooperative, Inc. Any individual, or specific class of individuals, who feels that this organization has subjected them

to discrimination may file a written complaint with this organization; the Director, Office of Civil Rights, U.S. Department of Agriculture, Washington, D.C., 20250; or the Administrator, Rural Utilities Service, Washington, D.C. 20250. Complaints must be filed within 180 days after the alleged discriminatory action, or by such later date to which the Director of the U.S. Department of Agriculture's Office of Civil Rights or the Administrator of RUS extends the time for filing. Identity of complainants will be kept confidential except to the extent necessary to carry out the purposes of the rules and regulations of the U.S. Department of Agriculture.