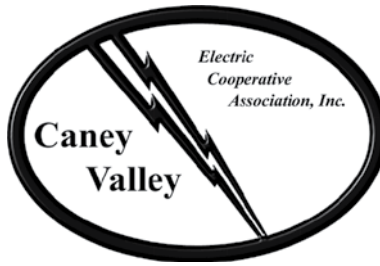


May 2006

A Communication
Service To Our Members

OICE

Website: www.caneyvalley.com • E-mail: cve@caneyvalley.com
In Case of an Outage, Please call 1-800-310-8911



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The Caney Valley Electric Cooperative Assn., Inc.

P.O. Box 308, 401 Lawrence
Cedar Vale, Kansas 67024
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From the Manager's Desk...

This month's newsletter will arrive near the time of our Annual Meeting at the Cedar Vale High School. If you happen to receive it on or before May 2, please let this be a last-minute reminder to attend.

If you receive it after Tuesday, we hope that you were able to attend and have an enjoyable and informative evening. Your inter-

est and support of the cooperative is important and greatly appreciated.

As much as possible and practical, the Board and staff of employees want to provide you excellent electric service along with personal, one-on-one attention to your needs, requests, questions, and suggestions. Working together, we will be able to have

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and support of
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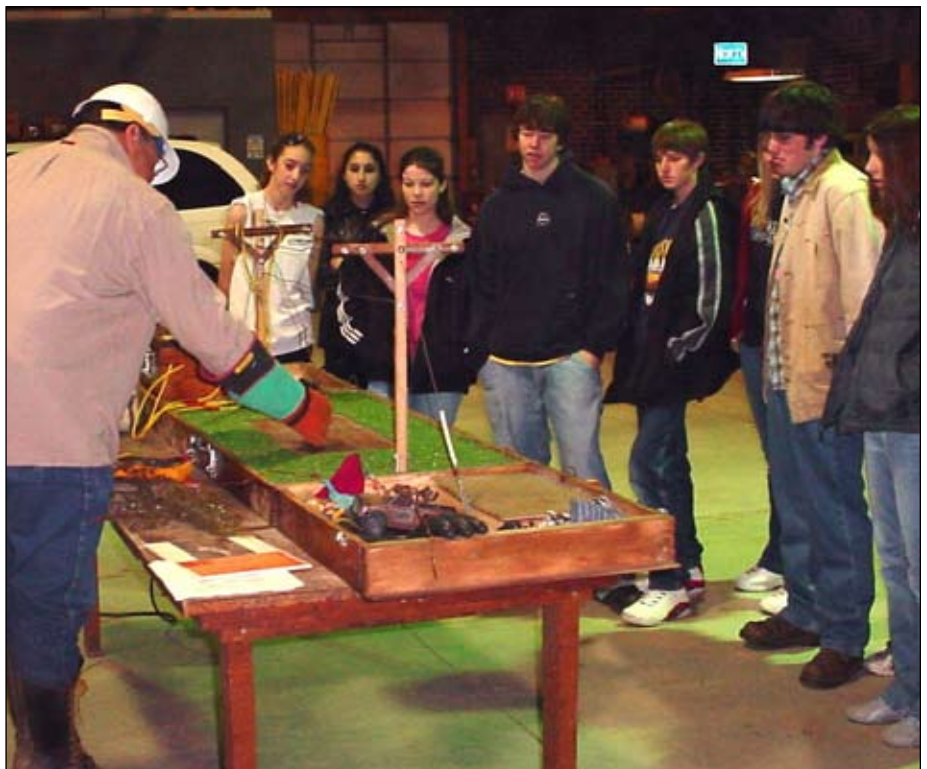
Allen A. Zadorozny

positive results that will enhance and perpetuate our wonderful rural and small town living.

Caney Valley Provides Safety Demonstrations

Caney Valley Electric, as part of our efforts to educate the public on safety around electricity, provides high-voltage demonstrations to various groups on request. Caney Valley has also participated in the Kansas Day Celebration at the Elk Valley School for several years.

If you or your group has an interest in seeing a demonstration, please contact our office and we will try to arrange a presentation.



Above: Oscar Mattocks, Equipment Technician, conducts a high voltage demonstration for a class from Cedar Vale High School. Left: Alan Hull, Journeyman Lineman, shows junior high students from Cedar Vale the safety equipment that linemen use every day.

Outages for March 2006

Occasionally, a part or parts of the delivery system fail and an outage occurs. The following is a summary of the larger outages and their causes that occurred in March.

Date	Area	Consumers Affected	Duration	Cause
3/4	Sedan Loop	600	2hr 15min	Squirrel on cutout
3/19	Maple City area	152	45 min	Line off-house move-Ark City
3/19	Cedar Vale area	818	45 min	Line off-house move-Ark City
3/20	Maple City area	30	4 hrs	Conductor down
3/22	Elk City	30	45 min	Tree hit the line
3/30	Grenola/Moline/Howard	407	1hr 15min	KG&E/Westar off-tornadoes
3/30	Longton, Elk Falls	345	1hr 15min	KG&E/Westar off-tornadoes
3/30	Sedan & large rural area	1576	30 min	KG&E/Westar off-tornadoes
3/30	Elgin, Chautauqua, Peru	838	1hr 15min	Transmission line off-storms
3/30	Maple City area	152	30 min	KG&E/Westar off-tornadoes
3/30	Cedar Vale area	818	30 min	KG&E/Westar off-tornadoes

Renewable Power: Solar Electric Systems

Solar electric systems are making a comeback all around the world. The rising cost of electricity has driven some of this new interest, but improvements in solar technology are also making this renewable energy source increasingly attractive.

Solar electric, or photovoltaic, systems use silicon-based cells that convert sunlight to electricity. Groups of these cells are wired

together to form the solar arrays you may have seen on rooftops or in racks on the ground. Solar electric systems produce direct current (DC), and an inverter is usually installed to convert this power to the alternating current (AC) that is used in our homes.

Some homeowners install batteries to provide back-up power at night and during cloudy weather, especially for homes that are far

from the electrical grid. An increasing number of homeowners are installing photovoltaic systems on homes that are already connected to the grid. These grid-connected systems provide the best of both worlds: abundant and reliable power from their traditional electric utility, and clean renewable power from their solar system.

Despite the falling cost of solar systems, they still require a significant investment that varies from \$15,000 to \$30,000 depending on the size of the system. It may be a good investment in the long run, but it's not one many of us can afford. Even with rising electrical costs, your local electric utility can still provide reliable electrical power for a lot less money.

Operating Statistics		
For Month Ending:	February 2005	February 2006
Customers Billed	5,217	5,253
Kilowatt Hours Purchased	3,924,528	4,311,614
Total Revenue	\$ 471,311	\$ 484,923
Purchased Power	\$ 218,884	\$ 255,994
Operating Expenses	\$ 116,160	\$ 130,280
Depreciation Expenses	\$ 43,252	\$ 41,761
Interest Expenses	\$ 26,943	\$ 39,845
Other Expenses	\$ 460	\$ 608
Operating Margins	\$ 65,612	\$ 16,435
Non-Operating Margins	\$ 2,930	\$ 7,145
Total Margins	\$ 68,542	\$ 23,580
Margins Year-to-Date	\$ 208,817	\$ 177,169

Power Cost Adjustment

The Power Cost Adjustment (PCA) for May is \$.01680.

This calculates to an additional \$16.80 per 1,000 kilowatt hours used.