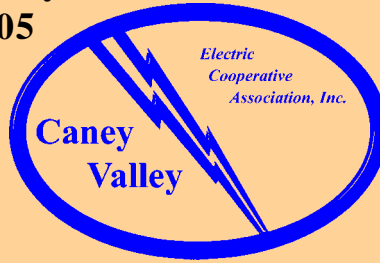


January
2005

A Communication
Service To Our Members

OICE



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

Board of Trustees
Ron Lenington, DVM, President
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**The Caney Valley Electric
Cooperative Assn., Inc.**

P.O. Box 308, 401 Lawrence
Cedar Vale, Kansas 67024
Phone 620/758-2262 • Fax 620/758-2926

From the Manager's Desk

PCA DOWN

The new year is beginning on a good note as far as the Power Cost Adjustment (PCA) on your January electric bill. This month the factor is .425¢ per kilowatt hour, or less than one-half cent per kwh. It will be \$4.25 per 1,000 kwh's. This is the lowest PCA since March, 2003, when it was .220¢/kwh.

The PCA for January, 2003, was .561¢; and for January, 2004, was .840¢.

The movement of the PCA is indicative of the overall volatility of all energy costs experienced in recent times. At Caney Valley ECA, we believe the use of the PCA is the fairest method of covering the ever changing and unpredictable costs for energy used in providing electric power.

Allen Zadorozny, Manager

SCHOLARSHIPS AVAILABLE FOR HIGH SCHOOL SENIORS!

Caney Valley Electric has scholarships available for high school seniors going on to college or a vocational-technical school. Scholarships are \$300 per semester for the first year (total \$600).

If you are a high school junior or senior and interested in these programs, please contact your high school counselor or Caney Valley Electric at 758-2262.

Are You In The Dark?

If you live in any of the towns or cities that we serve, and you notice that your street light is out, be sure to give us a call and report it.

We will send a crew out to repair it as soon as possible.

You can call us at
758-2262

or

1-800-310-8911

Thank you!

Attention High School Juniors - WIN A FREE TRIP!

The Caney Valley Electric Cooperative is sponsoring an all-expense-paid trip to Steamboat Springs, Colorado, July 16-22, 2005.

This trip is part of a four-state "Energy Seminar" sponsored by rural electric cooperatives in Colorado, Wyoming, Oklahoma and Kansas. Contest winners will learn about electrification, cooperatives, energy problems and interpersonal communications.

The contest is open to all current high school juniors in Caney Valley's

service area, whose parents or guardians are members of Caney Valley Electric.

Contest entrants will be interviewed and required to take a brief, written test covering material that will be made available to each contestant. A short one-page essay on "How Electricity Affects My Life" will also be required.

If you are a high school junior and are interested in this trip, please complete the application form below and send by February 15, 2005 to:

Caney Valley Electric Cooperative
Attn: J.D. Sanders • PO Box 308 • Cedar Vale, KS 67024
CONTEST APPLICATION FOR YOUTH TOUR

Name of Applicant: _____ Birth date: _____

Address: _____

Name of parent or guardian: _____

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 _____ to enter the 2005 Caney Valley Electric Youth Tour competition.

By: _____
 (signature of parent or guardian)

Keeping You Informed...

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 November, 2004:

Date	Area	Consumers Affected	Duration	Cause
11/10	NW of Sedan	20	1hr 15min	Reset OCR
11/30	No of Sedan	25	1hr 30min	Arrestor failed on OCR

OPERATING STATISTICS

For Month End	October 2003	October 2004
Customers Served	5,151	5,227
Kwh Sold	3,975,122	4,358,641
Revenue	\$ 525,454	\$ 586,384
Purchased Power	\$ 218,065	\$ 211,482
Operating Expenses	\$ 132,992	\$ 158,138
Depreciation Expenses	\$ 41,390	\$ 46,261
Interest Expenses	\$ 25,204	\$ 25,878
Other Expenses	\$ 118	\$ 70
Operating Margins	\$ 107,685	\$ 144,555
Non-operating Margins	\$ 2,843	\$ 2,439
Total Margins	\$ 110,528	\$ 146,994
Margins Year-to-Date	\$ 476,429	\$ 210,367

**POWER
COST
ADJUSTMENT**

The Power Cost Adjustment (PCA) for January is \$.00425. This calculates to an additional \$4.25 per 1,000 kilowatt hours used.