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*A Communication
Service To Our
Members*

February 2003



*The Caney Valley Electric
Cooperative Assn., Inc.*
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*In Case of Outage
Please call
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“Upon Further Review...”

This terminology has become familiar among professional football fans following a team’s coach throwing the red flag on the field questioning a ruling by game officials. In similar fashion we have reconsidered and withdrawn our intentions of pursuing a new procedure to handle the billing process of the rural consumers.

Following last month’s VOICE in which we announced our intentions to begin steps to administer a new billing method for rural accounts, we have received a significant and informative response from

rural consumers suggesting that the current billing system is still the best way to do it.

In light of member response, we are redirecting our efforts to better fine-tune the way your billing is currently handled with improved information on your bill cards, and a better designed format on the bill card itself.

We greatly appreciate your timely comments and suggestions. They have been very helpful. Please contact us on any matter, at any time, again.

Allen A. Zadorozny, Manager

Also from the Manager's Desk . . .

This issue of the VOICE arrives shortly after the first anniversary of the 2002 ice storm which seriously damaged the electric utility system and inconvenienced hundreds who were without service for several days, and longer. After the intensified efforts to restore electricity immediately following the storm, work has been ongoing in a systematic approach to restore the electric lines and facilities to industry standards. Line restoration efforts are expected to continue through 2003 before completion of the project is in sight.

One line construction contractor is being utilized full-time with our line crews also performing ice storm projects when normal operation requirements allow. Just one contractor is being used in order for Caney Valley to be able to accommodate the added financial expenditures and material handling logistics with our

existing personnel and revenues.

Very important assistance is being provided to us by the staff with the Kansas Emergency Management (KEM) offices, a division of the Kansas Adjutant General’s Department. The KEM is responsible for administering the federal and state grant funds designated for the ice storm disaster. The federal and state grants reimburse 85% of qualified expenditures for line restorations. Expenditures through November 30, 2002, totaled \$3,572,147.21.

We fully intend to see the ice storm work completed in proper fashion both in the condition of the electric system, and the financial stability of the Cooperative. Please contact me if you have any questions, suggestions, or comments.

Allen A. Zadorozny, Manager

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 19-25, 2003.

This trip is part of a four-state "Cooperative Youth Leadership Camp" 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 contact Caney Valley Electric or your high school counselor for an application form. Application deadline is February 14, 2003.

Annual Meeting Trustee Elections

Caney Valley Electric is required to give a summary of the bylaws section on the election process prior to the nominating committee meeting to select individuals for Board of Trustee positions. The following is taken from Article III (Trustees), Section 3, Nominations, of Caney Valley's current bylaws:

"It shall be the duty of the Board of Trustees to appoint, not less than thirty (30) days nor more than ninety (90) days before the date of a meeting at which trustees are to be elected, a committee on nominations consisting of not less than five (5) nor more than eleven (11) members, who shall be selected so as to give equitable representation to the area served or to be served by the Cooperative. No officer or member of the Board of Trustees shall be appointed a member of such committee. Said committee shall nominate at least two members as candidates for each trustee to be elected at any annual meeting. The committee shall prepare and post at the principal office of the cooperative, at least twenty-five (25) days before the meeting, a list of nominations for trustees; but any fifteen (15) or more members may make other nominations in writing over their signatures not less than twenty (20) days prior to the meeting, and the secretary shall post the same at the same place where the list of nominations made by the committee is posted... Nothing contained herein shall, however, prevent additional nominations being made from the floor at the meeting of the members."

Caney Valley Board of Trustees will be selecting a nominating committee at their February 10th Board meeting. If you would like to serve on this committee, please contact one of your district's trustees prior to that date.

The Annual Meeting for Caney Valley Electric will be held May 6, 2003, at Sedan.

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), limited to one qualifying student per school in our service area, or the top 7 qualifying students. Deadline to file an application is March 31, 2003.

POWER COST ADJUSTMENT (PCA)

The Power Cost Adjustment (PCA) for February is \$.00136 per kWh. This calculates to an additional \$1.36 per 1,000 kWh's used.

Operating Statistics

For Month Ending	Nov. 2001	Nov. 2002
Customers Served (average)	5,170	5,214
kWh Sold	3,414,269	3,557,828
Operating Revenue	\$392,629	\$444,874
Purchased Power	\$183,864	\$212,703
Operating Expenses	\$124,593	\$112,580
Depreciation Expenses	\$ 38,108	\$ 43,751
Interest Expenses	\$ 29,001	\$ 21,922
Other Expenses	\$ 2,035	\$ 260
Operating Margins	\$ 15,028	\$ 53,658
Non-Operating Margins	\$ 3,003	\$ 2,754
Total Margins	\$ 18,031	\$ 56,412
Margins Year-to-Date	\$481,725	\$536,098