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**The Caney Valley Electric
 Cooperative Assn., Inc.**
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 Cedar Vale, Kansas 67024
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*A Communication
 Service To Our
 Members*

*In Case of Outage
 Please call
 1-800-310-8911*

March 2003

Website: caneyvalley.com
E-mail: cve@caneyvalley.com

From the Manager's Desk . . .

We now have the 2002 year-end financial information and statistics completed. Overall, the Cooperative is holding its own with some bright spots to be optimistic about. One encouraging sign is a small increase in the average number of meters billed each month. This number increased from 5,149 in 2001 to 5,173 in 2002. The increase is just one-half a percent, but it is far better than the decreases we have experienced over the last several years.

The total kilowatt hour sales were below the previous year's number; however, this is directly tied to the effects of the January 30 ice storm. With so many meters not having electricity for days and weeks, the sales for February and March were 702,568 kilowatt hours lower than the 2001 sales for those same months. For the year, sales for 2002 were 612,312 kilowatt hours less than in 2001 – 47,733,928 to 48,346,240. Allowing for the ice storm, we could say the kilowatt hour sales were at least close to the same.

The financial condition of the Cooperative is in reasonably good shape, especially in light of the restoration of the electric lines and equipment after the storm, and, also, an increase in the wholesale power costs. The implementation of a power cost adjustment (PCA) charge on your electric bills enabled the Cooperative to recover the power cost increases; and the federal and state emergency grants for line repairs provided desperately needed funds.

Since 1993, the electric rates you were paying had not increased. However, they were increased this past year when the PCA was added. The average increase per kilowatt hour caused by the PCA was 5%, or about ½ cent per kilowatt hour. At this time, there are no plans for further rate increases.

We appreciate your support of the Cooperative, and encourage your interest in its efforts to provide the best service possible at the most reasonable cost to you.

Allen Zadorozny, Manager

Operating Statistics

For Month End	December 2001	December 2002	Year End 2001	Year End 2002
Customers served (avg)	5,178	5,178	5,149	5,173
kWh Sold	3,340,283	3,416,678	48,346,240	47,733,928
Operating Revenue	\$373,068	\$463,254	\$5,520,190	\$5,766,067
Purchased Power	\$195,210	\$229,737	\$2,616,914	\$2,895,637
Operating Expenses	\$129,582	\$111,167	\$1,657,131	\$1,473,382
Depreciation Expenses	\$ 38,115	\$ 37,648	\$ 454,890	\$ 465,384
Interest Expenses	\$ 31,425	\$ 26,424	\$ 404,116	\$ 383,841
Other Expenses	\$ 271	\$ 316	\$ 24,115	\$ 3,318
Operating Margins	\$(21,535)	\$ 57,962	\$ 363,024	\$ 544,505
Non-Operating Margins	\$ (3,484)	\$ 2,958	\$ 93,683	\$ 52,513
Total Margins	\$(25,019)	\$ 60,920	\$ 456,707	\$ 597,018

POWER COST ADJUSTMENT (PCA)

The Power Cost Adjustment (PCA) for March is \$.00093 per kWh. This calculates to an additional \$0.93 per 1,000 kWh's used.

Attention –

Montgomery County Members....

Office staff was advised in January that Montgomery County dropped their 1% county tax back in October, 2002. You are no longer being billed county tax on your account(s) with us. We will be crediting your account(s) soon for taxes paid since that time that you should not have been charged for.

If you have any questions, please feel free to contact our office.

Even If You Have The Luck of The Irish, Be Careful Around Electricity

Please be careful around electric power. No matter how lucky you are, electricity can cause serious injury or worse, if you don't remember a few rules.

■ Don't use a hairdryer, electric shaver, or any electric appliance while standing on a wet floor.

■ Don't use extension cords in place of electric outlets. Extension cords are for temporary usage only and can easily become overloaded and cause a fire.

■ Be especially careful around power tools. Use a portable ground-fault circuit interrupter when working outdoors with power tools.

■ Aluminum ladders and other long, metallic objects can kill when they come in contact with electric lines and human beings at the same time. Even if an electric line appears to be insulated, the tiniest flaw in the installation can lead to electric shock.



Don't Block Access To Electrical Equipment

Electrical equipment such as poles, lines, meters and transformers on your property are vital to your cooperative's ability to provide you with reliable electric service. Co-op employees need easy access to this equipment, especially in case of emergencies.

Please don't block access to it with landscaping, fencing, buildings or other structures or equipment. Your safety and ours could be compromised!



Also, NEVER try to climb on or repair any electrical equipment. Co-op employees are specially trained and highly skilled at working with their equipment, and always use special protective safety gear. You risk serious injury or even death by making contact with this electrical equipment!

Coming Soon... Annual Meeting

Date: May 6, 2003

Place: Chautauqua County Fairgrounds

Time: 5:30 P.M.-Meal; 7:00 P.M. - Business Meeting

Keeping You Informed.....

Occasionally, a part or parts of the delivery system fail and an outage occurs. The following is a summary of larger outages and their causes that occurred in January of 2003.

Date	Area	Consumers	Duration	Cause
Jan 1	No. of Chautauqua	50	1 hour	Tree limb fell through line
Jan 11	Sedan	150	1 hour	Squirrel on OCR
Jan 19	W of Havana	35	2 ¼ hr	Replaced insulators shot by vandals