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You Are Part of a Special Group

by Bill Buchanan, President/CEO

If you receive your electric service from Volunteer Energy Cooperative, you are not only a member of our cooperative, but you are also a part of the network of owners all across our 17-county service area. In addition, as a cooperative member-owner you belong to a special group of individuals all across the United States who receive their power from organizations similar to VEC.

In the U.S., electric cooperatives serve:

- 37 million people in 47 states.
- 16 million businesses, homes, schools, churches, farms, irrigation systems, and other establishments in more than three-fourths of the nation's counties.
- 12 percent of the nation's population.

As a whole, electric cooperatives own and maintain 2.4 million miles, or 43%, of the nation's electric distribution lines, covering three quarters of the nation's landmass, and delivering 10 percent of the total kilowatt-hours sold in the U.S. each year.

Cooperatives are different from investor-owned and municipal systems in many ways, but perhaps the most telling statistic is that cooperatives derive their revenue from far fewer customers per mile of line than other power distributors.

Investor-owned utilities have an average of 33.5 customers per mile of line and municipals average 33.7 customers for each mile of line. Volunteer Energy Cooperative has fewer than 12 customers per mile of line on our system. This means that, just like other cooperatives in the nation, we must maintain our system and manage growth with far less revenue than either investor-owned or municipal utilities.

Much has been made in the news lately about the equity that cooperative members own in their systems. The bottom line of all of this discussion is that electric cooperatives operate on very small margins. We and our boards of directors work constantly to manage our finances (and the small margins we collect) so that we can deliver the best service possible, upgrade the power grid, and perform needed maintenance on lines and equipment. This is the way we return equity to our members, not by paying stockholders or by subsidizing other services.

The way VEC and other cooperatives manage finances is not unlike the way our members make ends meet in their daily lives. Members use their incomes to provide for their families and plan for the future. There is a fixed amount of income with which to do these things. They must ensure that dollars are spent wisely, with a view toward the future. So it is with Volunteer Energy Cooperative and the management of our income. Be assured that your Board of Directors, along with the VEC managers and staff, make dollars work hard and provide maximum long-term benefits.

Statistics from the National Rural Electric Cooperative Association Strategic Analysis, Updated: February 2004

www.vec.org



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s is produced by the Volunteer Energy Cooperative's Member Services Department as a service to Comments and suggestions can be e-mailed to vec@vec.org or mailed to VEC Member Services

POVERLINES Output Diagram 2004

ROW Spraying Schedule

Volunteer Energy Cooperative's (ROW) right-of-way spraying program will egin early in July according to Jim Runyan, VEC's vegetation control specialist.

begin early in July according to Jim Runyan, VEC's vegetation control specialist. Runyan, a certified arborist, said the spraying is necessary to help prevent extended power outages caused by falling trees and to assist with quick power restorations by improving access for service crews.

"We spray in July and August because those months are when growth is most active," Runyan said. "We use the herbicides that are rated the safest and we use them in low concentrations."

Runyan said the herbicides work on woody growth without affecting flowers and grass. The herbicides VEC will be using have been tested and deemed harmless to humans and animals and copies of the Material Safety Data Sheets for each herbicide are available at VEC customer service centers.

2004 Summer ROW Spraying Schedule

Fentress County

Banner Springs area Wilder area

Cumberland County

Browntown area

Highway 70 west to White County

Glade Creek area

Mayland to Crossville

Meigs County

Calico area

Goodfield Road

Morrison Road

Lankford Ridge Road

Womack Hollow Road

Nebo Road

Johnson Road

Pleasant Hill community

Highway 58 north of Highway 68 Sugar Grove:

Big Springs area

McMinn County

Tranquility community
Union Chapel area
(County Roads 121, 128, 129,
and 130)

Rhea County

Wolf Creek area Cat Hollow area

Highway 68 from

Watts Bar to Grandview Evensville Mountain area

Shut-in Gap Road

Bledsoe County

Hinch Mountain area

Hamilton County

Dolly Pond area Sections of Birchwood Pike

Pierce Road

Bettis area

Bradley County

Ladd Springs Road Sugar Grove area Hunt Road

Oak Grove Community

Polk County

South Highway 411
Ball Play Road
Mountain View Road



Volunteer Energy Cooperative's VECustomers Share program donated its one-millionth dollar on Monday, May 10.

The program, founded in October of 2001, allows VEC customers to round their electricity bills to the nearest dollar. The extra change is then pooled with the dona-

tions of other customers and grants are awarded to non-profit communityservice organizations by an independent VECustomers Share board of directors.

A \$1,500 grant, awarded May 10, to the Make-A-Wish Foundation® of East Tennessee pushed the program over the one-million dollar mark.

"None of this could have been possible without the giving attitude of VEC's member-owners – our customers," said VEC President and CEO Bill Buchanan.

"I am proud to say that about 75% of our member-owners voluntarily participate in the VECustomers Share program. Electric cooperatives were formed and are still operated today in

the spirit of the strength of many people working together. Nowhere is this more evident today than in programs such as VECustomers Share."

Heather Anderson, executive director of the Make-A-Wish Foundation® of East Tennessee, accepted the grant during a luncheon at VEC's corporate offices in Decatur. She said the grant was not only a milestone for the VECustomers Share

program but it also came at a crucial time for her organization which is dedicated to granting wishes for children with lifethreatening illnesses.

VECustomers Share Board Members pose with a giant

From left, Davis Dunn of Polk County, Don Padget of Fentress County, Nell Whitaker of McMinn County, Bill Sparkman of Bradley County, Max Ross of Meigs County, H.B. Rankin of Rhea County, Barbara Rector of Pickett

County, Peggy Parrott of Putnam County, Roger Thacksto

of Cumberland County, and Bobby Scott of Hamilton

County. (Not pictured are Glenn Wheaton of Roane County and Pauline Sherrer of Cumberland County.)

check signifying \$1,000,000 in con

She said she had closed out the budget for the month of May when she got a last-minute request to grant a wish. She said she was about to give up hope of being able to fulfill that wish when she got word that the Make-A-Wish Foundation® had been awarded the grant. "God certainly had a plan for this," she said.



Volunteer Energy Cooperative President and CEO Bill Buchanan, left, and VECustomers Share Board Vice Chairman Roger Thackston, right, present a grant check in the amount of \$1,500 to Heather Anderson, Executive Director of the Make-A-Wish Foundation® of East Tennessee.

In less than three years the pennies, nickels, dimes, and quarters donated by VEC member-customers have been translated into \$1 million for local communities. "Since October 2001, VEC customers have given back to their communities in a big way," Buchanan said. "They have helped build wheelchair (*Continued on page 2*)

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Granting wishes for youngsters facing life-threatening illnesses, historical preservation, and literacy programs were among the causes assisted by Volunteer Energy Cooperative customers who pooled their pennies through the VECustomers Share program in April. The VECustomers Share board of directors funded grants totaling \$36,075 in April. Since the inception of the program in October 2001, a total of \$1,010,679.25 in grants has been awarded. VECustomers Share is a non-profit, tax exempt charitable organization covering VEC's 17-county service area. The foundation's funds are derived from Volunteer Energy Cooperative members who allow their electric bills to be rounded up to the nearest \$1. The additional amount goes into the VECustomers Share fund, which is administered by the foundation's board of directors whose 12 members serve as volunteers.

VECustomers Share contributions average 50 cents per month or \$6 per year for each participating residential customer. Approximately 75 percent of VEC's customers are donating to the program. The deadline for grant applications is the last day of each month. For additional information, contact Patty Hurley, manager of member services, at 423-334-7050. Applications are also available online, at www.vec.org.

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1 arna usi of organizations receiving grants in 11pril include.	
Friends of Pickett County Library – Byrdstown	\$2,000
Polk County Gridiron Club – Benton	2,000
Cumberland County Literacy Council - Crossville	1,500
Make-A-Wish Foundation® of East Tennessee	1,500
South Roane County Volunteer Fire Department - Kingston	1,450
Monterey Civitan Club – Monterey	1,400
BonDeCroft Elementary School – Sparta	1,400
Jamestown First UMC Youth Organization – Jamestown	1,200
Roane County Heritage Commission – Kingston	1,075
Pleasant Hill Explorers – Plesant Hill	1,000
Greater Chattanooga Sports Hall of Fame – Soddy Daisy	1,000
McMinn County Senior Citizens, Inc. – Athens	1,000
Good Faith Clinic – Athens	1,000
Taylor Ruritan Club – Cleveland	1,000
Meigs County Fair Association – Decatur	1,000
Cumberland County Young Marines – Crossville	1,000
Pleasant Hill Historical Society of the Cumberlands – Pleasant Hill	1,000
Crossville Lions Club – Crossville	800



VECustomers Share Board Member Bill Sparkman, left, presents a grant check to Howard Thompson, center, and Blaire Cartwright, right, of the Taylor Ruritan Club.



ramps for the handicapped. They have supported troops of Girl Scouts and Boy Scouts. They have assisted senior citizens groups and community fire departments. They sent needed funds to their neighbors in Cumberland County after a devastating tornado. Neighborhood athletic teams and civic clubs alike have been the beneficiaries of these funds. It is an impressive list."

The average donation of participating VEC customers is about \$6 per year. As Buchanan put it, "... most of us lose more than that in our clothes dryer every year.

"I am continually amazed that your pennies and mine add up to approximately \$30,000 per month that the VECustomers Share Board of Directors awards each and every month," he added.

Buchanan also noted that the funds gathered by the program have been awarded throughout VEC's 17-county service area.

"There is not a county served by Volunteer Energy Cooperative that this program has not touched in a positive way," he said.

VECustomers Share Board members serve voluntarily and review about 80 grant applications per month. Board Member Bobby Scott, Hamilton County's representative, said he is happy to donate his time and effort to the VECustomers Share program.

"I've been involved in several community projects," Scott said. "But it's hard to find a program that has done more good for local communities than this one.

Transformer Swap Increases Capacity and Saves Money

Volunteer Energy Cooperative (VEC) was faced with a challenge. The growth in the south Bradley County area was creating a demand for more electricity. That demand was rapidly



Contractors from Southwest Electric and Volunteer Energy Cooperative employees move the 75 ton transformer into place at the Sugar Grove Substation in lower Bradley County

outpacing the limits of the Sugar Grove Substation that serves the area. VEC was faced with spending \$400,000 for a larger transformer for the substation.

That's when VEC's management started thinking outside

VEC had an excess of capacity at the Sanford substation and it was decided the best plan was to swap the larger transformer from the Sanford substation with the smaller transformer at the Sugar Grove Substation.

It was a tall order considering the smaller of the two

transformers weighs about 60 tons and the larger unit weighs in at a whopping 75 tons. Since

VEC doesn't keep the kind of equipment needed to deal with such heavy loads on hand, Rody Blevins, manager of VEC's System Planning and Engineering Department contracted with Southwest Electric to help and the move was accomplished on May 14.

At about \$30,000, the move didn't come cheap, but considering the \$400,000 price tag on purchasing a new transformer, VEC saved hundreds of thousands of dollars.

Blevins said the move was a classic win-win situation.

"We've seen a lot of growth in the Lower Bradley County, Ocoee, and Dalton Pike areas," Blevins said. "This essentially allowed us to double our capacity there without spending all the money to purchase a new transformer."



Growth in the lower Bradley County area made it necessary for Volunteer Energy Cooperative to make upgrades at the Sugar Grove Substation.

Purple Martins are a "Tweet Deal" for This VEC Employee

This summer as you swat flies and mosquitoes while trying to enjoy your backyard barbeque, consider Charlie Ellison.

Ellison, an employee at Volunteer Energy Cooperative's Corporate Offices in Decatur, has found a remedy for those annoying flying insects that often ruin outdoor summer fun. He is playing host to a colony of about 30 Purple Martins at his home in Ten Mile.

The average Purple Martin will consume up to 30 pounds of small flying insects between May and August, and considering the size of Ellison's colony, that translates into an amazing 900 pounds – almost half of a ton – of small flying pests that Ellison will not have to swat, spray, or otherwise deal with.

Introduced to the Purple Martin by his grandfather several years ago, Ellison developed a fascination with the small, V-tailed exterminators.

"My grandfather attracted and hosted a colony as a way to keep the insects away from his garden," Ellison said. "I think that's the main reason a lot of people around here got interested in them."

And if you are concerned that you'll just be losing all those insects and gaining a mess of bird droppings, Ellison said, nothing could be farther from the truth.

"I never see any of their droppings," Ellison said.
"They even clean their nests. I don't know what
they do with it, but they are the cleanest birds I
have ever seen."

After spending a little time watching Ellison and his colony in action, it's clear that his fondness for the birds goes well beyond their well-earned reputation for pest control and cleanliness.

As he eases his way toward the gourds and Martin houses that serve as home for his colony, he keeps up a steady stream of conversation with the birds. They are unflustered by his presence and are soon clustering around him.

"They know their host," Ellison says with a smile. Ellison said he thoroughly enjoys mornings spent on his front porch, drinking coffee, listening to the Martins' songs, and watching their airborne acrobatics.

The Martin's wingspan is fairly large for such a relatively small-bodied bird. That combination provides a graceful flight that appears smooth and almost effortless.

With all these benefits, one may wonder why more homes don't feature Martin colonies. The answer is because it isn't that easy to attract these discriminating travelers and once you do attract them, it takes a little effort to maintain your colony and keep them coming back.

"I tried for a while several years ago to attract a colony and didn't have any success," Ellison said.
"But finally I got my first pair about three years ago, and from there the colony has just grown."

During winter months most Purple Martins spend their time in Brazil. But when the temperatures start dropping in Brazil and climbing in the northern hemisphere, Martins take to the air traveling north. They typically stay in our region from around March until August when they return to Brazil, although the actual dates can vary.

Purple Martins like sticking to a routine, so they prefer to return to the same nesting area year after year. Once you get a colony started, you can expect it to grow each year as the original settlers return, bringing newer fledglings with them, according to Ellison

But attracting that first pair can prove tricky.

"You can't just go out and buy a Martin house, put it up on a pole, and expect to get a colony," Ellison says. "And they usually won't nest initially in a commercial gourd either."

After several years of trial and error, Ellison says

he finally hit pay dirt with natural gourds. He is convinced that to get a colony started you have to start with natural gourds.

gourds.
Once the colony is established in the natural gourds, Ellison says you can gradually introduce Martin houses

and commercial



In three years, VEC employee Charlie Ellison has built his colony into one of about 30 Purple Martins.

gourds as long as you keep the old nesting spots in place for at least a season or two. This gives the Martins a chance to gradually get used to the new home.

Experts recommend that Martin housing be placed from 10 to 17 feet high and at least 40 feet away from trees that are higher than the housing. Martins seem to prefer being fairly close to the protection offered by humans, however, and prefer their homes to be within 120 feet of human homes.

Once you've attracted your Martins, it takes a little effort to make sure the colony keeps coming back. Protecting Martins from predators and competing birds, as well as keeping their housing in good repair and in a relatively open space is important.

Ellison certainly believes his efforts are well rewarded and his enthusiasm for Purple Martins is contagious.

After hearing Ellison talk about his Martin colony, Eddie Price, a co-worker at VEC's maintenance facility in Decatur, decided to try to attract a colony of Purple Martins himself. In a rare overnight success story, Price was able to attract a small colony of 10 birds his first year.

This has quickly led to friendly competition among the two, and the debate on who is the finer Purple Martin host will almost certainly continue for years to come.

Most experts agree that the real secret to attracting and maintaining a Purple Martin colony is for potential hosts to educate themselves first. A good place to start is with the Purple Martin Conservation Association website at www.purplemartin.org or with "Purple Martin Book: The Complete Guide to Attracting and Housing Purple Martins" by Donald Stokes.