

VEC Accepts Payments by Telephone

Paying your electricity just got easier.

No one likes paying bills, but Volunteer Energy Cooperative (VEC) is trying to make paying your electricity bill as painless as possible by providing a variety of payment options. VEC already accepts online payments, in person payments, electronic bank draft payments, and payments by mail. On February 5, VEC also began accepting VISA® credit card, VISA® debit card, and check payments by telephone.

Full or partial payments are accepted by phone and there's no extra service charge added.

To make a payment, customers need to have their VEC account number which can be found on their billing statement. To pay by VISA® credit or debit card, customers also need to provide the credit card number, the expiration date, and the security code from the back of the card. To pay by check customers need to provide their bank's routing number - which can be found at the bottom of the check - and their account number - which can also be found at the bottom of the check.

VEC's Interactive Voice Response (IVR) System will walk customers through the process with clear and easy-to-follow instructions. Customers can dial their local VEC customer service center to make a telephone payment.



Powerlines is produced by the Volunteer Energy Cooperative's Marketing & Economic Development Department as a service to customers. Comments and suggestions can be e-mailed to vec@vec.org or mailed to VEC Marketing & Economic Development Department, P.O. Box 277, Decatur, TN 37322.

VEC Putting More Fiber in the Diet

Fiber Optic Lines Will Increase Efficiency and Cut Costs

By Rody Blevins President/CEO



Our mission at Volunteer Energy Cooperative is to provide our customers with reliable, safe, and efficient services in a courteous and timely manner at competitive costs. When new technologies emerge that can help us achieve these goals, we try to use them whenever possible.

Our Supervisory Control and Data Acquisition (SCADA) system and our Automated Meter Reading (AMR) program are two examples of how we have worked to update our system and employ the latest, proven technologies to serve our customers better. To more efficiently tie these systems together and transmit all the additional data these systems provide us with, we are upgrading our data transmission capabilities with 57 miles of new fiber optic lines in Cumberland, Putnam, and Fentress counties.

Our goal is to have these new fiber optic lines up and running by early summer.

The new fiber optic lines will connect our Crossville, Monterey and Jamestown offices and our Campbell Junction, Grimsley, Monterey and Mayland substations. We had been relying on T-1 lines leased from the phone company to transmit data between these offices, but the new fiber optic lines will allow us to move information 15 to 20 times faster and much more reliably.

As we move ahead in our 4-year AMR plan, the ability to incorporate dramatically larger amounts of data along our network is vital. The new fiber optic lines are an important link in that process.

Adding bandwidth to allow for the transmission of more data is a major benefit we'll see from this project. But we will also improve our reliability because fiber optic lines are not as vulnerable to many of the troubles that plague phone lines. Another big benefit is that the money we will save from not having to lease phone lines will help pay for the project over time.

The ability to feed data from our SCADA system more quickly and efficiently gives us a leg up in spotting potential problems before they cause an outage. It also helps us pinpoint problems after they occur to restore power more quickly. The ability to move the additional data provided by our AMR system allows us to bill customers more accurately and efficiently and it also helps us manage our load demand more effectively.

Add to those benefits the fact that the new fiber optic lines will also help us save money over the long run, and it's easy to see that this project is a win-win situation.

Ground Broken on New VEC Service Center in Spring City

City and county officials joined with Volunteer Energy Cooperative (VEC) management last week to break ground on a new VEC Customer Service Center in Spring City.

Rhea County Mayor Billy Ray Patton; Rhea County Commission Vice Chairman Terry Broyles; Raymond Walker, executive director of the Rhea County Economic and Tourism Council; and Jim Reed, president of the Spring City Chamber of Commerce joined VEC President/CEO Rody Blevins and Jerry Henley who represents Rhea County on the VEC Board of Directors in breaking ground on the new 9,970 square-foot facility located near the intersection of Cemetery Road and Highway 68 in Spring City.

Frietag Construction is building the project and design work was provided by Upland Design.

VEC President/CEO Rody Blevins said plans call for the facility to open in the fall.

"Our Customer Service Center on Ellis Street has served us well for many years," Blevins said. "But we are pleased to be opening this new facility that will better serve the needs of our customers and employees. The new technologies and procedures we employ to better serve our growing number of customers in the area convinced us that it is time for an upgraded facility in Spring City."

In addition to an upgraded customer service lobby, drive-through customer service facilities and updated office space, the facility will also feature a warehouse and truck bays to better serve VEC customers in the area.

VEC's Spring City office was hit particularly hard by flooding in September 2004. VEC's management and Board of Directors have been exploring the possibility of opening a new Customer Service Center since then.

"The new office will provide better access for our customers as well as improved facilities for our crews and customer service representatives to better serve our customers," Blevins said. "The new office will include a drive-through window that will be much more convenient for our customers, as well as updated facilities that will allow us to integrate the latest improvements in customer service technology."



On hand to celebrate the groundbreaking for VEC's new Spring City Customer Service Center were, from left, Raymond Walker, executive director of the Rhea County Economic Development and Tourism Council; Terry Broyles, vice chairman of the Rhea County Commission; Jim Reed, president of the Spring City Chamber of Commerce; Jerry Henley, Rhea County representative on the VEC Board of Directors; Billy Ray Patton, Rhea County mayor; and VEC President/CEO Rody Blevins.

Electricity Safety Demonstrations Available

Electricity has helped bring prosperity and convenience to the Tennessee Valley and Volunteer Energy Cooperative (VEC) is proud to be a part of that. But Electricity is also a power source that demands respect.

VEC offers free electricity safety demonstrations to teach groups of all ages how we can enjoy the benefits of electricity while avoiding some of the most common dangers.

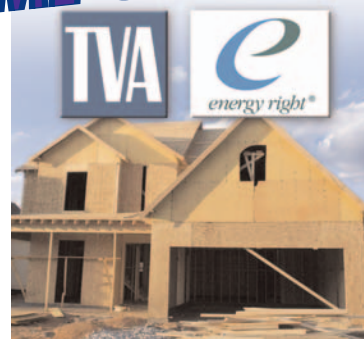
Presentations can be tailored to any age group and to fit almost any time requirements.

To schedule a free safety demonstration for your group, phone Robert McCarty at 423-334-7052. You can also email a request to rmcarty@vec.org.

HURRY! LIMITED TIME OFFER*

Is your all-electric new home less than 12 months old?

Your all-electric new home may qualify for a **\$50.00 credit toward your power bill** and a rebate toward the purchase price on a lifetime warranty electric water heater. Call VEC to learn more about promotions that could put money in your pocket.



Call 1-800-362-9684 ext. 7055 today

*This offer expires 3/15/2007. Offer good for the purchase price of one lifetime warranty water heater up to \$400.00. Home owner must sign up for a free energy right@ New Home Inspection to qualify.

VEC Customers Share

Neighbors Helping Neighbors

By allowing their electric bills to be rounded up to the next dollar Volunteer Energy Cooperative (VEC) customers funded \$33,800 in community service grants in December. Since the inception of the program in October 2001, a total of \$2,064,151 in grants has been awarded. The deadline for grant applications is the last day of each month. For additional information, contact the office of Marketing and Economic Development, at 423-334-7051. Applications are also available online, at www.vec.org.

Organizations receiving grants in December include:

Meigs County Boy Scout Troop 403 - \$3,500; Bradley-Polk Foster Adoptive Care Association - \$2,800; Byrdstown/Pickett County Tennessee Archives - \$2,000; Roane County Boy Scout Troop 304 - \$2,000; Martin Elementary School PTA, Crossville - \$2,000; Riceville Volunteer Fire Department - \$1,500; Clearwater Volunteer Fire Department, Athens - \$1,500; Meigs County Ministries - \$1,450; Student Nurses Association, Cleveland - \$1,300; Tennessee Valley Theatre, Spring City - \$1,000; Lake Forest Middle School Choir Boosters, Cleveland - \$1,000; Cumberland County Drug Alliance TAD Activity Center - \$1,000; Boles Cemetery Association, Grimsley - \$1,000; Calhoun Elementary School PTO - \$1,000; Monterey High School Project Graduation - \$1,000; Mineral Springs Hunger Relief, Monterey - \$1,000; Monterey High School Quarterback Club - \$1,000; Cumberland County Cardiac Pulmonary Rehab Alumni - \$1,000; Clarkrange High School Senior Class - \$1,000; Fair Park Senior Center, Crossville - \$800; Chilhowee Youth Girls Softball, Benton - \$800; Polk County Education Foundation - \$700; Infusion Solutions, Crossville - \$600; Midway Quarterback Club - \$500; McMinn County Education Foundation - \$500; Cumberland Valley Girl Scout Troop 348, Crawford - \$500; Veterans of Foreign Wars Post 6277, Monterey - \$500; Friends of the Park, Spring City - \$350; Long Cemetery Maintenance Fund, Spring City - \$300; and Crossville Arts Council - \$200.

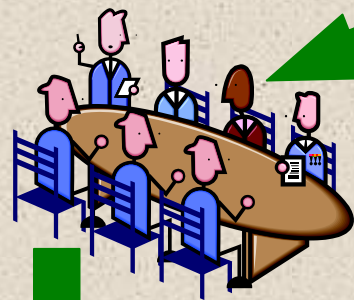


VEC Customer Share Board Member H.B. Rankin, right, presents a \$1,000 grant check to Arlandres Horton of the Tennessee Valley Theatre.

How Volunteer Energy Cooperative Works

VEC Members:

- Anyone who buys electricity from Volunteer Energy Cooperative is a member. All members share ownership and have a voice in VEC's operation.
- Each member has one vote in the election of VEC's Board of Directors.

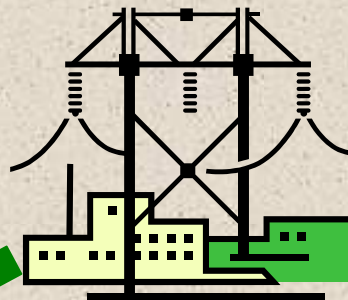


VEC Board of Directors:

- Members of the VEC Board of Directors are VEC customers. They receive minimal compensation to cover their expenses and out-of-pocket costs in serving the cooperative.
- The Board of Directors hire a president/CEO to take charge of operating the cooperative for the benefit of the members.

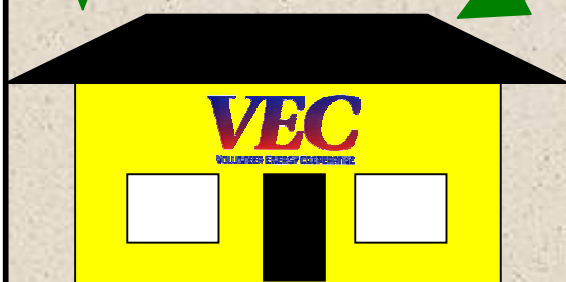
Electricity Generation:

- The principle task of VEC is to supply its members with safe, reliable power at reasonable rates. VEC purchases electricity from the Tennessee Valley Authority.
- About 78¢ of every dollar VEC collects goes to pay TVA for purchased electricity.



Volunteer Energy Cooperative:

- Because VEC is owned by the consumers who buy its electricity, it is responsive to their needs and the needs of the community.
- VEC is a not-for-profit utility. It does not sell stock and is not under pressure to earn profits for stockholders.



- If VEC collects more money than it needs to operate during any period, it reinvests that money into the system – reducing the need to borrow high-interest capital for system improvements.



The Community



- VEC management and staff works to improve the quality of life in the communities it serves.
- Community-service grants, economic development, college scholarships, safety education & training, leadership development, energy conservation, and environmental stewardship are just some of the ways VEC is working to help communities.



Scholarship Deadline is Fast Approaching



Volunteer Energy Cooperative wants to reward students who have used their time and talents to benefit their local communities. VEC's Lillard-Shadow scholarship program rewards academic and community service achievements by awarding four \$2,000 scholarships to students who will graduate from high schools in VEC's service area in the spring of 2007.

The scholarships honor J.W. Lillard and Willis A Shadow, two community leaders who spearheaded efforts to bring electric power to Decatur and Meigs County in the 1930s, forming the organization that would become Volunteer Energy Cooperative.

Four awards of \$500 per semester each (renewable for up to four semesters) will be presented to spring 2006 high school graduates whose parents or guardians are VEC electric customers.

Applications will be judged by an independent panel based on student's community service activities and citizenship - 40%; written communication skills - 20%; financial need - 25%; and academic achievement - 15%.

Scholarship applications are available at any VEC Customer Service Center or from high school counselors in the VEC service area. Applications are also available online at www.vec.org.

All application materials must be completed and delivered to VEC's Cooperate Office in Decatur no later than 5 p.m. on Friday, March 3, 2006.

Project Deserve Needs You

If you could help an elderly, handicapped or unemployed neighbor for as little as one dollar a month, you would do it wouldn't you?

Project Deserve allows Volunteer Energy Cooperative members/customers to do just that. With a reoccurring monthly donation or with a one-time gift, VEC customers can assist neighbors who are having a tough time with their electric bills in emergency situations. You can pledge any amount you choose to be added to your monthly electric bill or by making a one-time donation.

Every penny collected through Project Deserve goes straight to those among our neighbors who need it most. No donated funds are used to administer the program.

Call or drop by your local Volunteer Energy Cooperative customer service center to sign up or to get more details.

Tree Trimming Notifications Not Always Possible

One of the great things about this part of Tennessee is the abundance and variety of trees that beautify the area. But when tree limbs grow to the point of threatening power lines, Volunteer Energy Cooperative has no choice – the tree must be trimmed.

VEC is beefing up its right-of-way trimming program in an effort to improve service reliability.

VEC's certified arborist Jim Runyan says that before VEC crews or contract crews trim a tree, every effort is made to notify the property owner. But in some cases when the property owner cannot be notified, crews will still be forced to trim.

"We won't do a tree removal without notifying the property owner, but sometimes when the tree is a considerable threat to the power lines and when we've tried and failed to talk to the property owner, we will be forced to trim without the notification," Runyan said. "We would prefer to be able to speak with the property owners first, but that is just not always possible."