

Four Earn Lillard-Shadow Scholarships

Four exceptional young adults with proven track records of community service have been named recipients of the four Lillard-Shadow Scholarships awarded by Volunteer Energy Cooperative in 2007.

Tabitha Grace McBroom, a 2007 graduate of Monterey High School, Jerry David Ward, a 2007 graduate of York Institute in Jamestown, John Charles Rogers, a 2007 graduate of Rhea County High School, and Taylor Shaw, a 2007 graduate of Walker Valley High School in Cleveland were winners of this year's VEC Lillard-Shadow Scholarships.

VEC awards four Lillard-Shadow Scholarships annually. One is awarded in each of VEC's four service districts. McBroom was the winner in VEC's Crossville Service District, Ward was the winner in VEC's Jamestown Service District, Rogers was selected from VEC's Decatur Service District, and Shaw was the Cleveland Service District winner.

Each student was awarded a \$2,000 scholarship to attend the college of his or her choice.

The Lillard-Shadow Scholarship program was endowed to honor the lives and community service of J.W. Lillard and Willis A. Shadow. Lillard and Shadow were dedicated to improving the lives and livelihoods of community residents through electric power. And the two were instrumental in the organization of the Meigs County Electric Membership Corporation in 1933 - the organization that eventually evolved into Volunteer Energy Cooperative. To honor this history, an independent panel of education professionals judged applications for Lillard-Shadow Scholarships based largely on students' demonstrated commitment to community service.

McBroom, the daughter of Sandra Knowlton, has an extensive record of community service including volunteer work at a local nursing home and hospital, and bagging food and supplies for the community's under-privileged. She is also active in tutoring and is also very active in church activities.

Ward, the son of Jimmy and Susan Ward, has demonstrated his commitment to his community through numerous drug abuse prevention projects, volunteer work for the Time Heritage Committee, volunteer work for the Allardt Pumpkin Run, and school beautification efforts. He is a frequent speaker around the community promoting educational goals, positive role models, and drug abuse prevention. He has also been active with his church and other organizations to provide drug and alcohol free social opportunities for young people.

Rogers, the son of Julia Zimmerman, also has an impressive record of community service that includes volunteer work at Cedine Bible Camp, building projects at his church, delivering trees for the Rotary Club, and donating gifts to under-privileged children in the community. He has also reached out to elderly residents in the community by assisting with numerous work projects, delivering fruit baskets to the elderly and shut-in, and delivering flowers to nursing home residents.

Shaw, the daughter of Deborah Shaw-Evanky and Randy Shaw, has served her community through Hurricane Katrina relief efforts, she is a volunteer with the Boy Scouts of America, she has served as a counselor at Camp Twilight, volunteered with operation Shoebox, and is a peer tutor at Walker Valley High.

President/CEO Rody Blevins said VEC is proud to honor students, like these, who have shown a real commitment to serving others through community service.

"Our scholarship winners are the types of students who build our confidence in our young people and who give us reason for optimism for the future of our communities," Blevins said. "These students have demonstrated their commitment to helping others, so we are very happy to help them in the pursuit of their educational goals."

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October is Cooperative Month

By Rody Blevins President/CEO

When October rolls around each year our first thoughts probably revolve around cooler weather, leaves changing color, and taking your children trick-or-treating. October is cooperative month that makes it a good time to

reflect for a moment on what it means to you to be a member of an electric cooperative.

In the mid-1930s very few residents of the rural Tennessee Valley had electric service. The for-profit electric companies felt they would have to string too many miles of line to reach too few customers to make the undertaking profitable. So in 1935 a group of 500 citizens met at the Meigs County Courthouse to form their own electric power company. That cooperative business was originally called the Meigs County Power Association. It is the same company that is today called Volunteer Energy Cooperative (VEC) and which serves more than 107,000 customers in all or part of 17 counties across the Tennessee Valley.

What does it mean to be members/owners who get their power from an electric cooperative?

First of all it means that VEC is owned and operated by our customers. It means all the assets of the cooperative belong to you - our customers. And it means that we charge only what it takes to keep the cooperative operating soundly - no one is making a profit off your electric bill.

You make the decisions by electing representatives to your VEC Board of Directors. The directors set policies and guide our operations. The day-to-day management is my responsibility.

From the Board of Directors to our newest employee, we all are charged with providing you - our owners - with the best possible service at the lowest possible cost. And since we don't have an outside owner or shareholders who are looking to make a profit off your electric bill each month, it makes it easier to achieve this goal.

VEC, along with thousands of other cooperative businesses around the country, operate based on the Seven Cooperative Principles that appear in another section of this edition of *Powerlines*.

The principles guide the way we operate your cooperative. They help guarantee that we always conduct business in a way that preserves your ownership of this company, that we always conduct business in a way that provides the best value for our owners/customers, and they require us to operate in a way that benefits the communities we serve.

There may come a day when you will be asked to make a choice between electricity providers. If that day comes, I sincerely hope you'll choose your own company - a company committed to serving you and your community. Not a company that is only committed to making a profit for its owners.

VEC and Rural Development Assist Hospice House with Funding

A USDA Rural Development loan will assist the Cumberland County Hospice in funding the construction of a local Hospice House. The \$100,000 loan was made available through Volunteer Energy Cooperative. Officials from VEC and USDA Rural Development presented the check to Ken Taylor, executive director of Cumberland County Hospice and Don Alexander, executive director of the Crossville Housing Authority, in a short ceremony today.

Hospice has provided services in Cumberland County for over 20 years, but this is the first time that a dedicated facility will be available to patients and their families.

The facility, which is in the final stages of completion, will house up to 6 patients. The project is unique in the state, operated as a partnership between Hospice of Cumberland County and the Housing Authority. The house will accommodate terminally ill patients and those with life-ending injuries. Funding for Hospice care is provided by Medicare, private insurance, TennCare, private payments, and contributions from the community. No one eligible for Hospice service is ever denied admission due to an inability to pay. Prior to the construction of the Hospice House, terminally ill patients have to be treated at home or in medical facilities. Once the facility is opened, patients will have a comfortable, home-like atmosphere with specialized medical professionals to provide their end-of-life care.

Taylor said many people made the Hospice House possible and that the project is "a perfect example of local community-based entities pooling together to address the needs of our citizens." He added that Hospice of Cumberland County is honored to be a partner in this endeavor with VEC, the Crossville Housing Authority, USDA Rural Development, and others.

Don Alexander, executive director of the Crossville Housing Authority, said, "The Crossville Housing Authority is pleased to partner with VEC, Rural Development, and Hospice of Cumberland County to offer a unique housing opportunity to this area."

"VEC is glad to be involved in a project that will improve the quality of life for Cumberland County residents," said VEC President/CEO Rody Blevins. "USDA gives us the opportunity to participate in these types of funding projects to benefit the communities we serve."

"Through our programs, Rural Development is here to help provide communities a financial resource that can be used to construct or improve structures such as schools, hospitals, retirement and civic centers to help meet the growing needs of our Tennessee rural communities," said Rural Development Area Director Rickey Hickman. "I applaud Crossville Housing Authority and Volunteer Energy Cooperative's commitment to build this critical care facility to aid those who need it most."

The Hospice House is now in the final stages of construction. Officials expect the facility to be open and operational this fall.



VEC President/CEO Rody Blevins presents a check for \$100,000 to Ken Taylor, executive director of Cumberland County Hospice and Don Alexander, executive director of the Crossville Housing Authority. On hand for the presentation were: (from left) Laney Colvard, who represents Cumberland County - West on VEC's board of directors; Blevins; Taylor; Alexander; Rickey Hickman, Rural Development area director for the USDA; Randy Bond, who represents Cumberland County - East on VEC's board of directors.

VEC Customers Share

Your Change Changes Things

By allowing their electric bills to be rounded up to the next dollar Volunteer Energy Cooperative (VEC) customers funded \$34,300 in community service grants in July. Since the inception of the program in October 2001, a total of \$2,296,701 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 July include:

Pickett County Rescue Squad - \$3,000; Fentress County American Red Cross - \$2,500; Claxton Community Volunteer Emergency Services, Athens - \$2,500; Clarkrange Volunteer Fire Department - \$2,023; Plateau Pregnancy Services, Crossville - \$2,000; Meigs County High School Football Booster Club - \$1,700; Mayland Senior Citizens Club, Crossville - \$1,500; Central Outreach Center, Spring City - \$1,248; Polk County Youth Baseball - \$1,200; Cumberland County High School Cheerleader Boosters - \$1,000; Chattanooga Central High School Cross Country Booster Club - \$1,000; North Lee Elementary School PTO - \$1,000; Midway Quarterback Club - \$1,000; Roane County Heritage Commission - \$1,000; Monterey High School 2008 Project Graduation - \$1,000; Cumberland County High School Football Booster Club - \$1,000; Project GIVE, Athens - \$1,000; MAC Club, Kingston - \$1,000; Monterey Civitan Club - \$1,000; Linsdale Community Services, Delano - \$800; Friends of the Library of Spring City - \$800; Brown Elementary School Softball Boosters, Crossville - \$677; Cleveland/Bradley Chamber Foundation - \$500; Crossville Thunder Girls Basketball - \$500; Brown Elementary School PTO, Crossville - \$500; Grandview Community Club - \$452; Bradley County Junior Golf league - \$400; Bradley County Cub Scout Pack 3136 - \$400; Cleveland Express AAU Track Club - \$400; Rhea County Family YMCA - \$300; Calhoun Elementary School PTO - \$300; Meigs County Fire Department - \$300; and Summer Reading Program CPL, Cleveland - \$300.



VEC Customers Share Board Member Davis Dunn, right, presents a grant check for \$1,200 to Chris Allen of Polk County Youth Baseball.



VEC President/CEO Roddy Blevins, left, and VEC Customers Share Board Member Bill Sparkman, right, present a grant check to Matthew Carlson, executive director and Teresa Curvin Resource Development Director for Habitat for Humanity of Cleveland.

VEC Customers Share Caps Effort to Fund Major Projects

It took a few months to achieve, but the VEC Customers Share Board of Directors recently completed funding for three major community projects in Volunteer Energy Cooperative's service area.

The VEC Customers Share bylaws dictate the maximum amount of funding that a single organization can receive per year is \$10,000. Board members made a commitment to fund that maximum amount to assist Habitat for Humanity of Cleveland, Polk County Friends of the Library, and Fair Park Senior Center in Crossville.

The Habitat for Humanity grant will allow VEC to co-sponsor a home for a low-income family.

Habitat for Humanity of Cleveland works to provide housing for hard-working low income families. Executive Director Matthew Carlson said Habitat has built 50 homes in the past 15 years.

"The program is a long-term solution for low income families who struggle with poverty and substandard housing issues," Carlson said. "Our program motto is 'We offer a hand up - Not a hand out.'"

VEC President/CEO Roddy Blevins said Habitat for Humanity has an excellent reputation for helping low-income families realize their dreams of home ownership. "They are making a big impact in the community and I'm glad VEC can help in that effort," Blevins said. Bill Sparkman, the Bradley County representative on the VEC Customers Share Board said VEC and Habitat for Humanity is a natural fit.

"VEC's emphasis and experience with energy efficient construction and Habitat for Humanity's emphasis on providing long-term solutions fit together perfectly," Sparkman said. "Energy efficient construction will mean long-term economic benefits for these new homeowners."

The VEC Customers Share Board funded the Habitat for Humanity of Cleveland project through four separate monthly grants that totaled \$10,000.

VEC Customers Share also recently pitched in with \$10,000 to help build a full-service library in Benton.

Polk County Friends of the Library are trying to raise money to build two full-service libraries - one to serve the east end of the county and another to serve the west side of the county. VEC is the electricity provider for the west side of the county. The rules governing the VEC Customers Share program require that grants go to areas served by VEC, so the VEC Customers Share grant has been designated to help with Benton library project on the west side of the county.

The VEC Customers Share Board funded the Polk County Friends of the Library contribution through three separate monthly grants that totaled \$10,000. The library effort also got a boost last year when VEC Customers Share funded a \$3,500 grant for the Polk County Friends of the Library.

"Of the 95 counties in Tennessee, Polk County is the only county without a full-service library," said Jenny Rogers, president of the Polk County Friends of the Library. "The benefits of free and convenient access to the world of knowledge public libraries have to offer are undisputed. These benefits are compounded in rural economically challenged counties such as Polk County."

Davis Dunn is the VEC Customers Share board member who represents Polk County. He said he is grateful to all the VEC customers who participate in the VEC Customers Share program.

"This is going to mean a lot for Polk County residents," Dunn said. "I would like to thank all the VEC customers who have made these funds available by participating in the VEC Customers Share program."

VEC Customers Share also recently pitched in with a grant of \$10,000 to help the Fair Park Senior Center in playing host to the Upper Cumberland District Senior Olympics.

For nine years running Fair Park Senior Center in Crossville has partnered with the Tennessee Senior Olympics Organization to manage the district competition which includes 14 counties.

The VEC Customers Share Board funded the Fair Park Senior Center contribution through four separate monthly grants that totaled \$10,000.

Pauline Sherrer and Roger Thackston are the VEC Customers Share board members who represent Cumberland County. Sherrer said she's like to thank all the VEC customers who participate in the VEC Customers Share program.

"We are fortunate that we have this program in place to help community efforts such as this one and we are fortunate to have so many people who participate," Sherrer said. Roger Thackston, who also serves as chairman of the VEC Customers Share Board, said board members were happy to help out such a worthwhile cause.

Seven Cooperative Principles

October is Cooperative Month and it's a good time to look at the differences between for-profit businesses and cooperative businesses such as Volunteer Energy Cooperative. The Seven Cooperative Principles point out many of the key differences

One: Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Two: Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership.

Three: Members' Economic Participation

Members contribute equally to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Four: Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Five: Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of the cooperative. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of cooperatives.

Six: Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

Seven: Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

TVA's Announces Fuel Cost Adjustment in October

The Tennessee Valley Authority (TVA) recently announced that it will apply a .469 cent per kilowatt hour (KWh) fuel charge adjustment beginning October 1 for VEC's residential customers.

The fuel cost adjustment (FCA), which appears as a line item on the VEC electric bills, will mean an increase of \$4.69 for the average residential customer who uses 1,000 KWh per month to \$7.04 for a customer who uses 1,500 KWh per month.

TVA adjusts the FCA each quarter based on the difference between TVA's budgeted fuel cost for the quarter and the most recent forecast amount. The FCA was designed to help reduce the need for rate increases in the future by better matching revenues to changes in costs for fuel and purchased electricity.

TVA has said the primary reason for this quarters' FCA is extremely low rainfall levels. The lack of rainfall has hindered TVA efforts to generate electricity at its hydroelectric plants and forced TVA to rely more heavily on purchased power and electricity generated through more expensive methods.