

VEC Annual Meeting Draws 1,600

About 1,600 Volunteer Energy Cooperative (VEC) customers flocked to Meigs County Middle School on October 6 to enjoy the festivities at VEC's 71st Annual Meeting.



Youngsters were treated to safety demonstrations, balloons, prizes and face painting at VEC's Annual Meeting.

Those arriving early chose between a free pancake breakfast or a free continental breakfast, browsed through exhibits featuring VEC products and services, received a free flu shot if they chose, and enjoyed entertainment from Cumberland County singers Harlan and Jessica Cox.

After the business meeting Meigs County native Chris Hennessee, a singer/songwriter who is making a name for himself in Nashville, took the stage. The day was capped off with door prizes and free goody bags. More than 60 VEC employees volunteered their day to help host the event.

Dr. Shane Roberts and his staff gave out 851 free flu shots. Every attendee who wanted a flu shot received one.



Chris Hennessee entertains the crowd at VEC's Annual Meeting.

"This is a major event for our cooperative and it was truly wonderful to see so many of our members come out and enjoy the day," said VEC Vice President

Patty Hurley. "It takes a tremendous amount of hard work and teamwork to bring this event together and it's very gratifying to see all that work pay off with a day our customers really seemed to enjoy."

"I can't thank our employees enough," she continued. "So many gave up their Saturday to pitch in and help make the event a success. I especially appreciate the staff in the Marketing & Economic Development Department for all their work."

Annual Meeting attendees got a lift from the parking lot to the front door from Ann Cooper of VEC's Cleveland Office and Sharon Gibson of VEC's Georgetown Office.



Missy Smith of VEC's Crossville office discusses billing options with a customer at VEC's Annual Meeting.



Chairman of VEC's Board of Directors Gene Carmichael addresses the audience during the business meeting at VEC's Annual Meeting.



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VOLUNTEER ENERGY COOPERATIVE

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.



TVA Makes Energy Efficiency a Key Part of 2008 Strategic Plan and Budget

By Rody Blevins President/CEO

When the Tennessee Valley Authority began reviewing the public comments on their 2007 Strategic Plan, one thing became very apparent – people want TVA to lead the way in energy efficiency. Electricity distributors like VEC as well as industrial, commercial and residential electricity consumers are all looking to use electricity as efficiently as possible and we want TVA to join in and help lead the effort.

In response to this call, TVA has put \$22 million into their 2008 budget for energy efficiency programs. Using electricity efficiently is an easy call. It's a win-win situation that saves everyone money and helps clean up the environment. Many times when we hear calls to clean up the environment, we are asked to make sacrifices. But when it comes to energy efficiency, the "sacrifice" is saving money. Sounds like a "sacrifice" we can all live with doesn't it? Now, not many businesses will encourage you to spend less money on their product. But electric cooperatives are different – in many ways. And one way that electric cooperatives are different is because we will help you spend less money with us.

TVA's plans include working with the Tennessee Valley Public Power Association to develop programs to increase energy efficiency (smarter use of electricity), promoting conservation (using less energy) and reducing peak-time demand (avoiding use at the most expensive times).

At Volunteer Energy Cooperative we are pleased to see this emphasis on energy efficiency and will continue to partner with TVA and our member/owners to promote the most efficient and most economical use of electricity. We'll be watching to see what new programs emerge from TVA's efforts and we'll continue to participate in the programs already in place.

One of these programs, the TVA energy right® program offers competitive and convenient financing for energy-efficient electric heat pumps. For more information on this program or on other ways to conserve electricity, you can phone your local VEC Customer Service Center or check out our website at www.vec.org.

We try to help you spend less money with us while we all do what we can for a cleaner, healthier environment.

December 2007
POWERLINES

Newsletter of Volunteer Energy Cooperative

VEC Members/Owners Elect New Board Members

Two new board members have been elected and one incumbent board member was re-elected by VEC customers to serve on Volunteer Energy Cooperative's Board of Directors.

VEC customers in District 10, which includes White, Putnam, and Overton counties, elected Keith Phillips to represent them on the VEC Board of Directors. Phillips is a graduate of Monterey High School and the Kentucky School of Mortuary. He is the owner and operator of Goff Funeral Home in Monterey. He is a member of the National Funeral Directors Association, the Upper Cumberland Funeral Directors Association, the Monterey Masonic Lodge, and the Monterey Lions Club. He formerly served as a volunteer fireman. He is a member of Monterey United Methodist Church where he served as youth leader from 2002-05.



Keith Phillips

In District 11, which includes Fentress, Morgan, and Scott counties, VEC members elected William J. "Butch" Campbell. Campbell is an attorney, businessman, and farmer. He is a graduate of York Institute, Tennessee Technological University, and the Nashville School of Law. He served for four years in the U.S. Army and spent one year in South Vietnam. He serves on the Tennessee Wildlife Resources Commission and is a director for Union Bank in Jamestown.



William Campbell

In District 12, which covers Pickett County, Larry Storie was re-elected to the VEC Board of Directors. Storie is a graduate of Pickett County High School and a lifelong resident of Pickett County. He has been president of the Pickett County Farm Bureau since 1996, serving as a member of the Tennessee Farm Bureau Commodity Committee. He is a Tennessee Master Beef Producer and a member of the Pickett County Soil Conservation Board. He has served on the Overton-Pickett Farmers Co-op Board for 20 years. In 1990, he was named the Pickett County Grassland Farmer of the Year. He has served on the VEC Board of Directors since 1996. He attends Williams Chapel Church.



Larry Storie

Statement of Nondiscrimination

Volunteer Energy Cooperative is the recipient of federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, age or disability shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Rody Blevins, President/CEO. Any individual, or specific class of individuals, who feels this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organization; or the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250; or the Administrator, Rural Utilities Service, Washington, D.C. 20250. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

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 \$34,370 in community service grants in September. Since the inception of the program in October 2001, a total of \$2,365,371 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 September include:

Hilltoppers, Inc., Crossville - \$4,000; South Fentress Emergency Services - \$2,500; Operation REACH, Kingston - \$2,500; Pickett County Volunteer Auxiliary Police Force - \$2,000; Mineral Springs Hunger Relief Ministries, Monterey - \$1,750; AARP Foundation Tax Aide Program - District 2, Fairfield Glade - \$1,500; The HOPE Center, Inc., Athens - \$1,500; Imagination Library of Rhea County - \$1,200; The Trousdale School Foundation, Cleveland - \$1,000; Meigs County-Decatur Chamber of Commerce - \$1,000; Greater Chattanooga Public Television Corporation - \$1,000; Pine Grove Fire District Association, Spring City - \$1,000; New Hope Pregnancy Care Center, Cleveland - \$1,000; Meigs County FFA Chapter - \$1,000; American Cancer Society - \$1,000; Bradley County Initiative for Church and Community, Inc., - \$800; Survivorship Committee of the McMinn County Relay for Life - \$500; Meigs County High School Football Boosters - \$500; Cleveland-Bradley County Retired Teachers - \$500; Big Lick Fire Station, Crossville - \$500; Meigs County High School Cheerleaders Boosters - \$500; Elisha Cummings Walk for Cure, Byrdstown - \$500; Black Fox Elementary PTO, Cleveland - \$500; Good Faith Clinic, Athens, - \$500; Bradley County Committee on Aging - \$500; Kingston Lions Club - \$500; Chilhowee Middle School Women's Fastpitch Softball Boosters, Benton - \$500; Friends of the Parks, Spring City - \$500; Byrdstown Senior Center - \$500; Old Fort Community Club - \$400; Good Neighbors Theatre, Inc., Byrdstown - \$320; Luminary-Frostbite Volunteer Fire Department, Spring City - \$300; Chilhowee Middle School Baseball Boosters, Benton - \$300; E.K. Baker PTO, Athens - \$250; Riceville Elementary PTO - \$250; Calhoun United Methodist Church Food Pantry - \$250; Chilhowee Youth Girls Softball, Benton - \$250; Polk County High School Women's Fastpitch Softball Boosters - \$250; Putnam County 4-H - \$250; Linsdale Community Services, Delano - \$200; and Delano Lions Club - \$100.



VEC Customers Share

VEC Customers Share Board member Bill Sparkman, right, presents a grant check to Teresa Grant, executive director of H.O.P.E. Center, Inc.

Volunteer Energy Cooperative Statements of Income and Earnings Re-invested in System Assets

Fiscal Year Ended
June 30, 2007

Operating Revenue

Sale of electric energy	
Residential	\$113,451,226
Commercial	16,910,688
Industrial	42,402,567
Street and other lighting	3,541,260
Total sale of electric energy	176,305,741
Other revenue	4,161,160
Total operating revenue	180,466,901

Operating Expenses

Cost of power purchased from TVA	\$134,319,543
Distribution and transmission expense	9,794,704
Customer accounts expense	4,640,831
Customer service, sales and information expense	645,434
Administrative and general expense	6,295,727
Depreciation	9,845,226
Taxes	2,267,879
Interest expense	2,765,975
Total operating expense and interest	171,014,303

Operating Income

Other income	820,198
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Net Income

	\$10,272,796
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Earnings Reinvested in System Assets

Beginning of the fiscal year	\$120,592,121
End of the fiscal year	\$131,337,634

ASSETS

Electric plant in service

Less depreciation	\$300,005,753
Total	111,300,559
	188,705,194

Other property and investments

	2,687,503
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Current and accrued assets

Cash and temporary cash investments	1,679,054
Accounts receivable	12,902,135
Materials and supplies	3,091,251
Prepayments	- 0 -
Other current assets	871,500
Total	18,543,940

Deferred debits

Receivables-conservation	3,359,800
Other deferred debits	1,187,182
Total	4,546,982

Total assets

	\$214,483,619
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CAPITAL AND LIABILITIES

Capital

Membership certificates	\$410,950
Earnings reinvested in system assets	131,377,634

Total 131,788,584

Long term debt 50,400,642

Other noncurrent liabilities 6,684,884

Current and accrued liabilities

Other notes payable	2,203,915
Accounts payable	12,564,582
Customer deposits	3,147,109
Taxes and interest	941,688
Other current liabilities	1,099,370
Total	19,956,664

Deferred credits 5,652,845

Total capital and liabilities \$214,483,619

Fall in Love With Lower Heating & Cooling Costs

Whether you are building a new home or just replacing your old heating and cooling system, Volunteer Energy Cooperative can help you save money.



New homes built to TVA/VEC energy right® all-electric standards qualify for a free home energy inspection and a \$50 credit on your next electric bill.

Retrofitting existing homes with a new, energy-efficient electric heat pump through the TVA/VEC energy right® program is a very rewarding experience. You can finance the purchase and installation at competitive interest rates and get a free home energy inspection.

Ask your local Volunteer Energy Cooperative Customer Service Representative for all the details.



Call your local VEC
Customer Service Center
for the details.

