

## TVA Charge Could Add Up To 20% onto Electric Bill

The Tennessee Valley Authority (TVA), the organization that generates and sells electricity to Volunteer Energy Cooperative (VEC), says a drought across the Tennessee Valley and volatile increases in the market prices for coal and natural gas is forcing them into a significant increase in their quarterly Fuel Cost Adjustment that is expected to take effect in October of 2008.

The Fuel Cost Adjustment (FCA) is a TVA add-on to the kWh charges based on the costs of fuel that is used to generate electricity. It is adjusted quarterly. VEC passes this charge along to customers as an itemized line on their VEC electric bill. TVA began adding this charge during the second quarter of 2007.

The new FCA charge that will take effect in October is expected to increase customer's total bill by about 17%. The highest previous FCA was an increase of about 6%.

TVA said hydro-production of electricity is down by about 50% from last year's rate and that is forcing TVA to purchase power on the open market. The price of that purchased power has increased drastically due to increased costs for coal and natural gas.

TVA says the price of coal is being driven up by a dramatic increase in demand for coal in China and that has pushed up coal prices in the U.S. by more than 125% this year.

VEC President/CEO Rody Blevins said VEC would have no choice but to pass the increase along to customers but that VEC will receive no extra revenue. All the additional revenue goes to TVA.

"This is strictly a pass-through increase," Blevins said. "I know this could be a hardship for some of our customers and we are going to do everything within our power to keep our rates as low as possible. We also will continue to do everything we can to help our customers with energy conservation tools."

www.vec.org

**VEC**  
VOLUNTEER ENERGY COOPERATIVE

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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.

OCTOBER 2008

# POWERLINES

Newsletter of Volunteer Energy Cooperative

## Cooperatives are a Different Kind of Business

October is Cooperative Month in the United States. This designation helps cooperatives like Volunteer Energy Cooperative (VEC) build awareness and educate the public about the cooperative way of doing business.

Each year, during the month of October, the nation's 48,000 cooperatives celebrate Cooperative Month by working to educate people about the qualities that make cooperatives unique. Cooperatives are based on the principle of shared ownership by those who share a common need for a product or service. VEC was formed by Meigs County citizens in 1935 after investor-owned utilities refused to serve the area. VEC is once of the largest cooperatives – in terms of square miles served – in the nation and we are still owned by the customers we serve. And we are still a not-for-profit organization.

VEC is governed by a 12-member Board of Directors comprised of customers just like you. Besides fulfilling our mission of providing reliable electric service at the lowest possible price, we also offer programs and services to help people conserve energy and get the most from their energy dollar. We also offer programs to promote economic development, youth scholarships, leadership development, and support communities throughout our 17-county service area.

During Cooperative Month we want to remind you that we are a customer-owned utility that is managed and governed by citizens who live in the areas we serve. As a cooperative, quality service is our bottom line - we work for you.

## 4-H Electric Camp

Volunteer Energy Cooperative's Tracey Wilson, (third row, right) joined electric cooperative employees from around the state in assisting with 4-H Electric Camp at the University of Tennessee at Knoxville in June. VEC offered scholarships to 34 middle school students from the 17 counties VEC serves.



## Our Energy, Our Future:

Pressure is mounting in Congress to do something about climate change. And while political debates in Washington, D.C., may seem far away, the outcome will have a direct impact on our cooperative – and on you, the cooperative member and other electric consumers. The current Liberman/Warren Bill that is being debated in Congress – if passed – would result in significant increases to electric bills.

Climate change is but one aspect of a looming energy crisis created by increasing demand and decreasing capacity to meet that demand. Experts now say some areas of the country will be short of power within one or two years.

And yet energy supply isn't an issue our elected representatives are spending a lot of time on. These forces, the desire by government to reduce greenhouse gas emissions quickly and the growing demand for power by consumers, are about to collide.

Some people say we can meet demand through efficiency and renewable energy. The reality is we need all the efficiency and renewable energy we can get, but that will not be enough.

To avert an energy crisis, the federal government must exercise true leadership, the same leadership that got Americans to the moon in the 1960s. Without that leadership – without a sound, responsible plan – government risks not only the reliability of our electric system, but literally the ability of many Americans to be able to afford to pay their electric bill.

We, as electric co-op members and constituents, must call on elected officials to provide this leadership.

That's why I want to encourage you to contact your elected officials.

**Now.**

You don't need to be an energy expert to ask questions. Asking questions helps find the answers to solve the problem of balancing climate change goals with keeping your lights on and your electric bills affordable.

Right now, members of Congress as well as state elected officials are hearing from lots of different interest groups who have ideas about how to address climate change. No one is talking to consumers, however. We need a plan people can live with today while we deal with the climate change problem of tomorrow.

To make things easy, we have a website that will send an e-mail for you. Go to [OurEnergy.Coop](http://OurEnergy.Coop) and plug in your address. There you'll be able to ask a series of questions to your representatives in Washington. We're kicking this effort off with a basic but critical question: What are they doing to make sure we'll have the power we need in the future?

Far too often questions don't get asked by policy makers until plans go wrong. We believe it makes sense to know the answers before the laws are passed. You can help your elected officials and yourself by having this conversation. The electric bill you save will be your own.



Rody Blevins President/CEO

# VEC Customers Share

**VEC Customers Share**  
NEIGHBORS HELPING NEIGHBORS

## Your Spare Change Can Change Someone's Life

Through the generosity of Volunteer Energy Cooperative (VEC) customers who allowed their electric bills to be rounded up to the next whole dollar, the VEC Customers Share program funded \$34,350 in community service grants in July. Since the inception of the program in October 2001, more than \$2.7 million in grants has been awarded. The deadline for grant applications is the last day of each month.



VEC Customers Share Board member Gloria Schougins, right, presents a grant check to Brenda McKenzie of Meigs County Ministries.

For additional information, contact the office of Marketing and Economic Development, at 423-334-7051. Applications are also available online, at [www.vec.org](http://www.vec.org).

Organizations receiving grants in July include: The Midway Athletic Club - \$2,000; Meigs County Ambulance Service - \$2,000; Fentress County Food Bank - \$2,000; Pickett County High School Journalism Club - \$1,642; Nocatula Civitan Club - \$1,500; Cub Scout Pack 3013, Ocoee - \$1,500; Fair Park Senior Citizens Center, Crossville - \$1,450; Camp Lookout, Holston Conference UMC - \$1,255; Monterey Senior Citizens Center - \$1,200; Central Outreach Center, Spring City - \$1,058; Wild Turkey Federation, Crossville - \$1,000; Hunters for the Hungry, Crossville - \$1,000; Bradley County High School Football Boosters Club - \$1,000; Byrdstown/Pickett County Archives - \$1,000; Meigs County Emergency Services - \$1,000; Meigs County Ministries - \$1,000; Meigs County FFA Chapter - \$1,000; Fentress County Public Library - \$1,000; Crossville-Cumberland County Chamber of Commerce - \$1,000; Stone Memorial High School Cheer Boosters - \$1,000; Brown Middle School PTO, Harrison - \$1,000; Birchwood Senior Neighbors - \$945; Spring City Historical Museum and Depot Foundation - \$800; American Legion Post 203, Spring City - \$700; Performing Arts Alliance of Rural Tennessee, Crossville - \$500; The HOPE Center, Athens - \$500; Midway Quarterback Club - \$500; Avalon Center, Crossville - \$500; Tennessee Hoopsters AAU Team, Cleveland - \$500; Hebbertsburg Community Center - \$500; Cleveland Express AAU Track Club - \$500; Elisha Cummings Walk for a Cure, Byrdstown - \$500; United Way of McMinn and Meigs Counties - \$500; Delano Lions Club - \$380; Summer Reading Program CPL, Cleveland - \$300; and Linsdale Community Services - \$120.

## Bank Draft Authorization

The Painless Way to Pay

With Volunteer Energy Cooperative's (VEC) Bank Draft program, you don't have to worry about writing a check and sending in a payment each month. If you're going on a vacation, business trip or if you're traveling for any other reason, there's no need to worry about your power bill.

VEC's convenient Bank Draft Program can automatically draft your payment from your checking account. You save time, worry, and the cost of stamps and checks.

Customers with accounts in good standing are eligible. Each month you will continue to receive your bill. However, your bill will be marked "Paid by Bank Draft". When you see this message on your bill, you no longer need to write a check or mail a payment - it will be taken care of automatically!

The amount will be drafted from your account approximately two days before the actual due date.

Joining the program is easy. Here's all you need to do: Stop by your VEC service center and complete a bank draft authorization card. Return the card, along with a check with the word "Void" on it to your service center.

It's that quick and easy. For more information, or to sign up, just contact your local Volunteer Energy Cooperative service center.

## South Bradley Substation



Matthew Teague and Darrel Crisp monitor progress as VEC energizes the new South Bradley Substation. The new substation was put into operation on July 17.

## Going ...Going ...Gone!

### Volunteer Energy Cooperative to Auction Surplus Vehicles

Volunteer Energy Cooperative (VEC) will sell surplus vehicles and equipment at absolute auction on Saturday, October 25 at VEC's Decatur Customer Service Center on Highway 58 North in Decatur.

The sale is slated to begin at 10 a.m. Eastern Time. All vehicles purchased must be paid for on the day of the sale by cash or check.

A list of vehicles to be auctioned (subject to change) is available at VEC Decatur Customer Service Center or online at [www.vec.org](http://www.vec.org).



Volunteer Energy Cooperative will offer this and other surplus vehicles and equipment for absolute auction on Saturday, October 25.

## VEC Family Shares

Their Best Recipes with Your Family

Volunteer Energy Cooperative employees are putting together a sumptuous sampling of some of their favorite family recipes to share with your family. The recipes are available, absolutely free, at [www.vec.org](http://www.vec.org). Just look for the recipe link on the home page.

Here's a sneak peek:

### Butter Coconut Pie

1 (9-inch) frozen piecrust  
1 cup sugar  
1 tablespoon all-purpose flour  
3 large eggs, lightly beaten  
1 (3.5-ounce) can sweetened flaked coconut  
1/2 cup evaporated milk  
1/3 cup butter or margarine, melted  
1 teaspoon vanilla extract



Line piecrust with parchment paper; fill with pie weights or dried beans.

Bake at 400° for 10 minutes or until crust is lightly browned. Remove paper and weights.

Combine sugar and flour in a large bowl; stir in eggs, blending well. Stir in coconut and next 3 ingredients, blending well. Pour filling into prepared piecrust.

Bake at 325° for 35 to 40 minutes or until pie is set.

Yields - 1 (9-inch) pie

Connie - Corporate Offices