

VEC to Pass Along TVA Increase

Like other power distributors in the Tennessee Valley, the Volunteer Energy Cooperative Board of Directors has voted to pass along recently-announced TVA rate and fuel cost adjustment increases to its 109,000 customers, beginning October 1st.

VEC President/CEO Rody Blevins said that VEC's margins are small and the cooperative is not able to absorb these TVA increases. Therefore, he said, the VEC Board had no other alternative other than to pass along the increases to customers. "We had requested, since the fuel cost adjustment was scheduled to jump dramatically, that TVA not increase the base rate at this time," he said. "Unfortunately, the TVA Board voted to increase the base rate as well."

The residential rate per kilowatt hour (kWh) for VEC customers will rise from 7.777 cents to 8.001 cents, an increase of 2.9%. The fuel cost adjustment, which is a surcharge charged per kilowatt hour, will increase from .744 cents to 1.958 cents. The revenue from the surcharge is passed along to TVA to cover the increasing cost of fuel used to generate power. It is adjusted quarterly, and it appears on each monthly bill.

The VEC increases reflect only the TVA hikes; there is no increase in VEC's portion of the rate structure.

The exact impact of the increases on a residential customer's monthly bill will depend on that customer's energy usage. The charts below reflect the total impact of the changes for three types of VEC residential users.

Customer Usage: 800 kWh/month

	Current Cost	After Oct. 1 st	% Increase
Energy Cost	\$62.22	\$64.01	
Fuel Cost Adjustment	\$5.95	\$15.66	
Customer Charge	\$11.60	\$11.60	
Total Bill	\$79.77	\$91.27	14.4%

Customer Usage: 1,500 kWh/month

	Current Cost	After Oct. 1 st	% Increase
Energy Cost	\$116.66	\$120.02	
Fuel Cost Adjustment	\$11.16	\$29.37	

Customer Charge	\$11.60	\$11.60	
Total Bill	\$139.42	\$160.99	15.5%

Customer Usage: 2,500 kWh/month

	Current Cost	After Oct. 1 st	% Increase
Energy Cost	\$194.43	\$200.03	
Fuel Cost Adjustment	\$18.60	\$48.95	
Customer Charge	\$11.60	\$11.60	
Total Bill	\$224.63	\$260.58	16%

Ready for Growth

July 15, 2008 was a red-letter day in Southeast Tennessee, across the Volunteer state, and throughout the entire Tennessee Valley region. State and local officials gathered to announce that Volkswagen will build an automobile assembly plant at the Enterprise South Industrial Park in Chattanooga, spending up to \$1 billion for construction and bringing as many as 2,000 direct jobs to the area. This facility will be the company's first manufacturing facility built in the United States since the 1980's.

This announcement was the culmination of years of behind the scenes work to research the needs of the automobile industry, construct an acceptable site, develop private and public partnerships, market the property, and construct an attractive and competitive incentive package for potential buyers. This involved a lot of late hours and sleepless nights.



But the important thing is that when Volkswagen came knocking, Southeast Tennessee was ready.

As this column is written, Volunteer Energy Cooperative is putting the finishing touches on a new Hamilton County service center. It will officially open for business later this month; we are planning an open house sometime in the next few weeks.

This new service center, located near the intersection of Ooltewah-Georgetown and Mahan Gap roads, has nearly 10,000 square feet under roof. The low-cost design incorporates longevity, low maintenance, energy efficiency, and safety. A similar design was used for the VEC service center in Spring City that opened last year.

The Bradley-Hamilton County area is one of the fastest growing for VEC. With Volkswagen's announcement, the future for this area looks bright. Currently VEC serves nearly 27,000 meters in this area. The new office will allow us to offer more timely service to the Bradley-Hamilton County customers at a critical time.

VEC is working with state and local economic development officials in several of our service areas in an effort to attract the attention of companies that will support Volkswagen. The positive effect of the new plant is likely to be felt not just in the Bradley-Hamilton County area, but in several of our service counties. We are ready, willing, and able to provide whatever support and service is necessary to help our counties catch the attention of industries that will provide goods and services to Volkswagen.

The tight economy didn't happen overnight and it won't see an immediate turnaround. But news such as the Volkswagen announcement gives communities faith that their hard work can pay off and pay off big.

VEC is helping these efforts in whatever way we can.

Did You Know...

Here are six, well kept energy-saving secrets

Did you know the color of your walls really does matter?

The walls of your home should be painted a light color. Dark colors absorb light, requiring you to use more energy from light bulbs to achieve the same effect.

Did you know you can save money and increase the humidity in your home, just by saving your shower water?

When you take that hot shower in the winter, close the bathtub drain, allowing the warm water fill the tub as you shower. By saving the water in the tub, it will slowly transfer its heat to the room air and reduce the heating load on your furnace. It will also add humidity to the air, which most homes need in the winter. After about three hours, the water will have cooled and you can open the drain. (The drawback to doing this is that it can leave some soapy deposits in the tub.)

Do you know how to ensure your refrigerator door seal is airtight?

Ensure your refrigerator door seal is airtight. Test it by closing the door over a piece of paper such as a dollar bill so it is half in and half out. If you can pull the paper out easily, the latch may need to be adjusted or the seals replaced.

Do you know which way your ceiling fan should turn for maximum efficiency in the winter?

In the winter, set the fan to run counterclockwise (reverse - this looks clockwise as you are looking up). This will redirect the warm air from the ceiling and down the walls and into the living space where the people actually are. In a house, you would run the fan at a low speed so that you don't actually cool the warm air that you are moving downward. If you have a high ceiling, or are trying to heat a hall or a church, you may want to increase the fan speed so that the warm air will reach the living space as long as the fan speed does not create an unwanted downdraft at the people below. Also, if you shop for a ceiling fan, do not select a "ceiling-hugger" design unless you have unusually low ceilings or unusually tall family members. For the most efficient use, the fan blades should be a minimum of 12 inches from the ceiling. If you have a room with a high ceiling, purchase a longer downrod so that the blades are about eight to nine feet from the floor.

Did you know turning some appliances off may not be enough?

A huge amount of electricity is consumed by home electronics while "off". Use a power strip to switch everything off, or better yet, unplug items not in use. Big screen TVs, computers and computer peripherals are the worst culprits.

Did you know the direction you close your blinds matters?

If you have venetian blinds over your windows, the direction of the slats affects the heat loss or gain in the summer as well as drafts inside your home. In the winter, when the venetian blinds are closed, the slats, from top to bottom, should be slanted from indoors to outdoors. Make sure the venetian blinds are fully lowered so they touch the window sill. Since the air between the cold window and the closed venetian blind is cooler than the room air, it will tend to drop. This cool air will tend to stay behind the blinds. If the slats were slanted the other way, outdoors to indoors, the dropping cool air would be directed out into your room from between each slat.

VEC Customers *Share*

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 \$32,400 in community service grants in August. 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. 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 August include: The General Advisory Council for Tennessee Technology Center, Crossville - \$2,000; Fentress County Senior Center - \$1,500; Crab Orchard Care Center - \$1,500; Greasy Creek Volunteer Fire Hall, Reliance -

\$1,477; American Cancer Society, Putnam County - \$1,473; Star Point Fire Station, Byrdstown - \$1,200; AARP Tax Aide Program - \$1,200; "Give A Kid A Chance" Back to School Outreach, Decatur - \$1,100; Calhoun United Methodist Church Community Food Bank - \$1,100; Brown Middle School PTO, Harrison - \$1,100; Visually Impaired Support Group, Crossville - \$1,000; Monterey Branch Library - \$1,000; Twinton Community Park, Crawford - \$1,000; Midway Youth Baseball Supporters - \$1,000; Midway Athletic Club - \$1,000; Polk County Education Foundation - \$1,000; Pickett County Pee Wee Football - \$1,000; Bradley FFA Alumni, Cleveland - \$1,000;



Former VEC Customers share Board members (from left) Max Ross - Meigs County, Davis Dunn - Polk County, and Barbara Rector - Pickett County were recently honored for their service to the board. Max Ross was replaced on the board last year by Gloria Schouggins and this year Davis Dunn was replaced by Jerry T. Stephens. Barbara Rector was replaced this year by Galen Rector.

Crossville - \$500; Senior Lighthouse Center, Spring City - \$500; Crab Orchard Utility Student Conservation Program, Crossville - \$500; New Covenant Refinery Youth Group, Cleveland - \$350; Rhea County High School Homerun Club, Dayton - \$300; Art Department of Calhoun Elementary School - \$300; Polk County Fair Association - \$300; and Monterey High School Future Business Leaders of America - \$250.



VEC Customers Share Board Member Davis Dunn, left, presents a grant check to Dr. Phyllis Miller, president of the Polk County Education Foundation.

VEC PROTECTS



PERSONAL INFORMATION

Policy Regarding Privacy of Customer Information

Volunteer Energy Cooperative values you as an owner and as a customer and understands how important it is to protect the personal information that you have entrusted to us. We, therefore, treat such personal information in accordance with applicable law and the provisions of this policy.

Information We May Collect

We only collect information that is needed to serve you and administer your cooperative's business. We may collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your business transactions with us or others; and
- Information we receive from a consumer reporting agency.

Protection of Your Information

We are committed to upholding our pledge to maintain security of our customers' personal and accounting information. To ensure such information is used only in the manner we have described in this notice, we restrict access to your personal and account information to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards to maintain the confidentiality of the information we collect and to guard against its unauthorized access.

Information We May Disclose

All of the information that we collect, as described above, may be disclosed when necessary to assist us in servicing your accounts to third parties as designated by you, in response to subpoenas or court orders, and to a credit bureau or similar information reporting agency. We do not disclose any nonpublic personal information about our customers to anyone, except as permitted by law.

We may disclose the information that we collect, as described above, to companies that perform marketing services on our behalf. This information may be shared with our affiliates so they can market their services. However, Volunteer Energy Cooperative does not share personal customer information with unaffiliated third parties for any reason.

If you decide to terminate your relationship with us, we will continue to adhere to the privacy policies and practices described in this notice.

More Information

Questions regarding this policy can be directed to the Office of the President/CEO, Volunteer Energy Cooperative, P.O. Box 277, Decatur, TN 37322 or to your local VEC service center.

PROJECT DESERVE Needs You

Volunteer Energy Cooperative's Project Deserve program allows you to help the elderly, handicapped, low income and unemployed with their electric bills in emergency situations. You can do this by pledging a specified amount of money to be added to your monthly bill.

All funds collected through Project Deserve go directly to an energy fund. No funds will be used to administer the program. Eligibility will be determined solely by human resource agencies and/or community relief groups in all or portions of the VEC's 17-county service area.

Winter weather is on the way, and this is the time of year when more families ask Project Deserve for assistance with their electric bill. Your contribution to Project Deserve will help these families in their time of emergency.

You may contribute monthly or you may make a one-time contribution. One-time contributions should be mailed to Project Deserve, P.O. Box 277, Decatur, TN 37322. Should you ever wish to cancel your monthly Project Deserve contribution, you can do so by contacting your local VEC customer service center.



VEC moved into a new customer service center in Hamilton County September 29. The new office is located at the intersection of Mahan Gap Road and Ooltewah - Georgetown Road.



Construction is under way on VEC's new centralized dispatch call center at the Corporate Offices in Decatur. The new call center will allow us to centralize and streamline our outage response and many customer service functions.