

# Make Sure This Holiday Season is a Safe One

The hustle and bustle of the Christmas season is rapidly approaching. For some, the holiday season becomes a time of tragedy. Volunteer Energy Cooperative wants the holiday season to be a safe and happy one for you and your family. To keep you and your family safe you should:

- Inspect all extension cords for cracks in the protective sheathing. Before stringing indoor and/or outdoor lights inspect for cracked sockets; frayed, loose or bare wires; and loose connections.
- Make sure all your lights and decorations have been approved by an accredited certification agency (such as UL). Be sure to use all lights and decorations as specified in the manufacturer's directions.
- Don't overload extension cords and/or circuits. Never remove or expose the third prong, and plug outside lighting into Ground Fault Circuit Interrupter (GFCI) receptacles.
- Use cords appropriately. Different cords are available for interior and exterior use – be sure to use the correct one. Don't run outdoor electrical cords across driveways or walkways. Keep all exterior plugs and connectors off the ground. Don't run interior cords under carpets or rugs.

## 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.

## We Have To Join Forces To Meet Our Energy Challenge

For most Tennesseans, the summer of 2008 has been a difficult one. The price of gasoline blasted a hole through family budgets. While gasoline prices may grab the headlines, it is important for U.S. policymakers to address an often-overlooked energy concern - affordable electricity.

Political leaders must develop a national energy policy that funds the development of new technologies to keep electricity affordable while meeting climate-change goals. Otherwise, a growing number of consumers won't be able to pay for electricity. In the past five years, utility bills across the country have risen 30 percent, largely because of the cost of fuel. The price of coal - the fuel for more than half of America's power plants has doubled since last year. Coal-fired power plants are major sources of the so-called greenhouse gases considered responsible for global warming.

At the same time that rates are rising, electricity demand is increasing. According to the U.S. Energy Information Administration, demand is projected to grow 1.1 percent annually by 2020, or a total of 17 percent.

To meet demand and keep up, new generation sources will need to be built. Without new generation facilities TVA will be forced to purchase more expensive electricity on the volatile wholesale trading markets. This challenge is considerable.

VEC is joining other members of the National Rural Electric Cooperative Association in calling on our political leaders to fund development of new technologies that ensure the affordability and supply of electricity while meeting national climate-change goals. In order to help ensure a continued supply of affordable electricity for customers of rural electric cooperatives we recommend that the government:

- Expand initiatives that boost consumer efficiency such as the U.S. Energy Department's Weatherization Assistance Program, which helps the poorest Americans make their homes more energy efficient, reducing their consumption and their electric bills.
- Encourage construction of new transmission lines so that alternative energy produced in rural areas can be dispatched to cities where it is most needed.
- Improve the permitting process associated with building nuclear power plants.
- Invest in research for clean coal technology
- Place a priority on keeping electric bills affordable.

Congress and our new president will face a historic opportunity to tame this looming energy crisis. If they can't, then America could return to a time when electricity becomes an unaffordable luxury available only to a fortunate few.



*Merry Christmas*



Volunteer Energy Cooperative's Board of Directors and Staff include: Seated (left to right) Sammy Norton, Secretary/Treasurer, Meigs County; Gene Carmichael, Chairman, McMinn County; Rody Blevins, President/CEO; Laney Colvard, Vice Chairman, Cumberland County - West; Standing (left to right) Charles Fitch, Roane & Loudon counties; Scott Humberd, Bradley County; Harvey Cameron, attorney; Marvin Stinnett, Polk County; Jerry Henley, Rhea & Bledsoe counties; Alesia McNelley, executive assistant; Randy Bond, Cumberland County - East; Keith Phillips, Putnam White, and Overton counties; Aubie Smith, Hamilton County; William J. Campbell, Fentress, Morgan, and Scott counties; and Larry Storie, Assistant Secretary/Treasurer, Pickett County.

*Volunteer Energy Cooperative's  
Board of Directors, management, and staff  
would like to extend their best wishes  
to you and yours during this holiday season.*

# VEC Customers Share

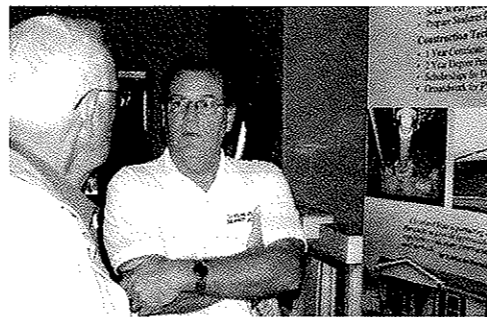
## Your Spare Change Can Change Someone's Life

Through the generosity of Volunteer Energy Cooperative (VEC) customers who allowed their electric bills to be rounded up to the next whole dollar, the VECustomers Share program funded \$30,000 in community service grants in September. 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](http://www.vec.org).



VECustomers Share Board Member Pauline Sherrer presents a grant check to Richard Dubois and Mario Garbaccini of Disabled American Veterans #32 of Crossville.

Organizations receiving grants in September include: Operation Reach, Kingston - \$2,500; Pickett County High School Baseball Boosters Club - \$2,000; Fentress County Rescue Squad - \$2,000; Kiwanis Club of Spring City - \$1,500; Nocatala Civitan Club - \$1,500; Disabled American Veterans #32, Crossville - \$1,500; Old Fort Community Club - \$1,400; Chattanooga Central High School PTSA - \$1,300; Cumberland County Drug Alliance TAD Activity Center - \$1,200; Putnam County Rescue Squad - \$1,000; Meigs County High School Football Boosters - \$1,000; Evening Lion's Club of Cleveland - \$1,000; Candlelighters Fun Day, Benton - \$1,000; Boy Scout/Cub Scout Pack 3077, Ooltewah - \$750; Wolf Creek Fire Department, Spring City - \$700; The Storehouse Food Ministry, Cleveland - \$600; Three Rivers Antiques, Tractor, and Engine Club, Kingston - \$500; Allardt Pumpkin Festival - \$500; Putnam County 4-H - \$500; Meigs County High School Boys Basketball Boosters Club - \$500; Cumberland County Habitat for Humanity - \$500; Tennessee Jaycee Foundation - \$500; Meigs County - Decatur Chamber of Commerce - \$500; Stone Elementary School Beta Club, Crossville - \$500; Knights of Columbus Council, Crossville - \$500; Quarterback Club, Monterey - \$500; Calhoun Cheerleaders Booster Club - \$500; Bread of Life Rescue Mission, Crossville - \$500; Meigs County Future Business Leaders of America - \$500; Rogers Creek Youth Basketball, Athens - \$500; Meigs County Middle School Cheerleaders Booster Club - \$400; Antique Automobile Club of America, Cleveland \$300; Charleston Elementary School 2nd and 3rd Grade Basketball Teams - \$300; Chestuee UMC Youth Group, Cleveland - \$300; Rhea County Middle School Softball Boosters - \$300; Clearwater Volunteer Fire Department, Athens - \$250; and Lady Tigers Booster Club, Ten Mile - \$200.



through exhibits featuring VEC products and services. More than 870 people received a free flu shot from Dr. Shane Roberts and his staff.

The morning entertainment was provided by The Dixie Pride Band. Prior to the business meeting our national and state colors were presented by Ten Mile Cub Scout Pack 561. The scouts led us in the Pledge of Allegiance, and our National Anthem was led by Fran Beckner. Rev. Michael Johnson offered the invocation. After the business meeting The Voices of Lee, an ensemble of singers from Lee University, took the stage. The day was capped off with door prizes and free goody bags.

A total of 69 VEC employees volunteered their day to help host the event.

"This is a major event for our cooperative and it was truly wonderful to see so

# VEC Annual Meeting Draws 1,850

About 1,850 Volunteer Energy Cooperative (VEC) customers flocked to Meigs County Middle School on October 4 to enjoy the festivities at VEC's 72nd Annual Meeting.

Those arriving early chose between a free pancake breakfast or a free continental breakfast, and browsed

many of our members come out and enjoy the day," said VEC Vice President of Marketing & Economic Development 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."

Some of those attending opted to fill out survey's grading the various attractions of the Annual Meeting on a scale of 1 to 5. Attendees seemed to really appreciate the free flu shots which they gave an average grade of 4.9, the door prizes and entertainment were also well received as both received average ratings of 4.7 and 4.5 respectively.

Attendees gave the entire event an average rating of 4.4 on a 1 to 5 scale.



### Operating Revenue

Sale of electric energy	
Residential	\$121,197,248
Commercial	17,972,045
Industrial	44,712,346
Street and other lighting	3,664,753
Total sale of electric energy	187,546,392
Other revenue	4,207,446
Total operating revenue	191,753,838

### Operating Expenses

Cost of power purchased from TVA	\$142,742,686
Distribution and transmission expense	9,662,839
Customer accounts expense	3,953,002
Customer service, sales and information expense	625,545
Administrative and general expense	5,961,722
Depreciation	10,397,606
Taxes	2,206,412
Interest expense	3,113,853
Total operating expense and interest	178,663,665

Operating Income 13,090,173

Other income 866,110

Net Income \$13,956,283

### Earnings Reinvested in System Assets

Beginning of fiscal year	\$128,596,365
End of fiscal year	\$142,552,699

### Assets

Electric plant in service	\$321,166,216
Less depreciation	120,445,001
Total	200,721,215
Other property and investments	4,210,919

### Current and accrued assets

Cash and temporary cash investments	4,346,722
Accounts receivable	13,911,483
Materials and supplies	3,064,778
Prepayments	274,373
Other current assets	890,000
Total	22,487,356

### Deferred debits

Receivables-conservation	3,593,264
Other deferred debits	485,729
Total	4,078,993

Total assets \$231,498,483

### Capital and Liabilities

#### Capital

Membership certificates	\$416,110
Earnings reinvested in system assets	142,552,649
Total	142,968,759

#### Long term debt

56,317,089

#### Other noncurrent liabilities

7,519,139

### Current and accrued liabilities

Other notes payable	-0-
Accounts payable	15,028,820
Customer deposits	3,415,397
Taxes and interest	936,168
Other current liabilities	1,288,440
Total	20,668,825

Deferred credits 4,024,671

Total capital and liabilities \$231,498,483