



VEC Launching New Website with "Find the Barn" Contest

We are so sure that you will find a wealth of useful information on VEC's new website, we'll give you a chance to win a prize just for taking a look.

Just surf the VEC site and find the hidden barn logo and you can win a limited-edition, 8 1/2 -by- 11-inch, hard-bound book, "Barns of Tennessee." The 160- page pictorial keepsake is a tribute to Tennessee's agrarian history with 375 photographs.

The book was compiled by the staff of *The Tennessee Magazine*, The Donning Company Publishers and authors Caneta Hankins and Michael Gavin. Most of the images were contributed by *Tennessee Magazine Readers*.

This \$45 value can be yours FREE when you find the barn logo within the VEC website.

January's Winners: LuAnne Ellis of Cleveland and Randall Morris of Benton



Find this logo on the VEC website for your chance to win "Barns of Tennessee."

Just browse through the links on the VEC website. When you spot the barn logo, click on it. You'll be linked to a form. Fill out the required fields in the form and submit it. You'll automatically be entered into a monthly drawing for a FREE copy of "Barns of Tennessee."

Drawings will be held on the last business day of each month from January through June, 2010.

To re-enter for the following monthly drawing, you'll need to find the barn again and submit a new form. But beware, the barn logo will be moved each month.

Enter as many times as you like, but only one book can be awarded per VEC service address and you must be a VEC customer to win.

Visit the VEC website at www.vec.org to get all the details and to find the barn logo.



Life Line Foods CEO Lester Burks says participating in the Green Power Switch Generation Partners® program fits perfectly with his company's commitment to good health.

to any farm or rural business. It covers up to 25 percent of the cost of purchasing and installing the solar photovoltaic system, which was designed and installed by LightWave Solar Electric LLC, Nashville.

Lester Burks, CEO of the family-owned Life Line Foods said, "Since 1969 it has been the purpose of Life Line Foods to inspire, motivate and enable as many people as possible to achieve and maintain good health. That's why we were excited to invest in renewable energy. Conserving the planet's resources while protecting its occupants from pollutants is just another way we can continue to promote good health."

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VEC Marks 75th Anniversary in 2010

Rody Blevins is President/CEO of Volunteer Energy Cooperative



Volunteer Energy Cooperative (VEC) is celebrating our 75th year of service this year and that provides us with a good opportunity to reflect on how and why VEC came in to existence and what makes VEC different from many other electricity providers.

In the mid-1930s many folks living in rural parts of the United States did not enjoy electric service. The for-profit companies that provided electricity decided that serving rural areas of the country didn't make sense for them. Customers were too few and too far between and they felt they had to run too many miles of line to serve too few customers. In short - they couldn't make a profit serving rural areas.

The for-profit companies... decided that serving rural areas of the country didn't make sense for them.

At the urging of two prominent community leaders in Meigs County - Willis A. Shadow and J.W. Lillard - about 500 residents banded together to do the job themselves. On May 29, 1935 the Meigs County Power Association was formed. In 1939 the name was changed to Volunteer Electric Cooperative and in 2001 the name was changed to Volunteer Energy Cooperative.

The details and timeline are presented in another story in this edition of *Powerlines*.

During the year we will be collecting stories from our customers that reflect their experiences with VEC during the past 75 years. If you have a story you'd like to share, you can drop your written story by your local VEC Customer Service Center or email it to Robert McCarty at rmccarty@vec.org.

During our 75 years of growth and progress the technology we employ to distribute electricity has come a long way and the number of people as well as the area we serve has grown tremendously. But some things have remained constant.

From the very beginning VEC has been an organization that was formed to serve its members. VEC has always been a cooperative - owned and operated by the people who use the electricity we provide. And during the entire 75 years of our existence, we've never made a single penny in profits.

VEC was not formed or organized to make profits. We were formed to provide electricity to our rural communities and to serve and support our communities. Our mission - "To provide the best possible service at the lowest possible price" - has never changed.

Volunteer Energy Cooperative is your company. You own it and you operate it through the Board of Directors you elect to represent your community.

Since we are a not-for-profit company that is owned by our customers, we do things differently than a for-profit electricity provider. We have several programs available to help our members conserve electricity and to use electricity more efficiently. Not many for-profit companies will work as hard as we do to help our customers spend less money on our product.

The employees that you have entrusted with the day-to-day operations of your cooperative, myself included, are well aware that we work for our members. VEC was here long before we arrived and we fully expect that VEC will still be here, serving your needs, long after we are gone. We are stewards of your cooperative and we take that job and the trust that you have placed in us very seriously.

We are determined to be good stewards and to continue to meet the challenge of our mission - to provide you with the best possible service at the lowest possible price."

The History of Volunteer Energy Cooperative

In the early 1930s only four out of every one hundred farms in Tennessee were served with any form of electricity. Except for a few privately owned Delco battery power systems, the citizens of Meigs County lived and worked under primitive conditions when compared to their counterparts in the larger towns and cities.

Finally, a group of interested Meigs County residents approached the Tennessee Electric Power Company requesting that a power line be run from Athens to Decatur. The power company agreed to do so for the sum of \$23,000. From Decatur, the county could extend its own lines, with the consumers bearing the full costs. Of course, this was an impossible financial undertaking for the citizens.

In 1933, Willis A. Shadow, University of Tennessee Agriculture Extension Agent for Meigs County, saw new hope for the residents along the Tennessee River with enactment by Congress of the Tennessee Valley Authority (TVA) Act. Mr. Shadow began talking "electricity" throughout the county. County Attorney J. W. Lillard joined the ranks, agreeing to furnish Mr. Shadow with legal advice without fee. Enthusiasm gained momentum until a mass meeting of 500 citizens at the Meigs County Courthouse resulted in the May 29, 1935 formation of the Meigs County Power Association, Incorporated, which later became the Meigs County Electric Membership Corporation. The name was changed in 1939 to Volunteer Electric Cooperative and in 2001 to Volunteer Energy Cooperative.

During 1935, President Franklin D. Roosevelt established by executive order the Rural Electrification Administration for the purpose of lending money to cooperatives,

commercial power companies and other groups to build rural power lines. In 1936, Congress passed the Rural Electrification Act which established the REA as a full scale agency of the government. When the commercial power companies did not take advantage of the REA loans to build lines, REA turned to assist local electric cooperatives to come into being. Volunteer Energy Cooperative was the very first electric cooperative in the nation to take advantage of the funding made available through this program.

The first lines erected in Meigs County were energized August 6, 1936. For the first month of operation, 5,019 kilowatt-hours of electricity was distributed with a total income of \$183.16.

In 1939, just seven years after the Tennessee Electric Power Company refused to provide electric service to Meigs County, the rural cooperative entered into a contract with TVA to purchase the power company's distribution properties in McMinn, Bradley, Meigs, Polk, Roane, Rhea, Cumberland, Putnam and Fentress Counties for \$276,700. Recognizing it would soon be serving an area far larger than Meigs County, the corporation changed its name to Volunteer Electric Cooperative.

As the mission of the cooperative expanded, subsidiary companies were formed to serve the needs of rural residents for metered propane and natural gas service. Reflecting its expanding role, the name of the organization became Volunteer Energy Cooperative on June 1, 2001.

Since these early beginnings, the story of Volunteer Energy Cooperative

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VECcustomers Share

Your Spare Change Makes a Difference

The VECcustomers Share program funded \$33,100 in community service grants in January. Since the inception of the program in October 2001, more than \$3.2 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 January include: Manna House Ministries, Jamestown - \$2,729; Hiwassee Chapter of the American Red Cross, Cleveland - \$2,617; Christian Counseling Center of Cumberland County - \$2,350; Polk County Education Foundation - \$2,000; Athens Lions Club - \$2,000; Knights of Columbus Council 8152, Crossville - \$1,500; Pine Grove Fire District Association, Spring City - \$1,500; Midway Quarterback Club - \$1,500; Polk County Youth Basketball - \$1,250; Pickett County 5th-8th Girls Basketball Booster Club - \$1,088; Monterey High School Project Graduation - \$1,000; McMinn County Educational & Community Foundation - \$1,000; Peavine Care Center, Fairfield Glade - \$1,000; Chilhowee Basketball Booster Club, Benton - \$1,000; Midway Youth Cheerleading Association - \$1,000; Decatur Tigers - \$1,000; Meigs County High School Choir Booster Club - \$1,000; Disabled American Veterans Chapter 25, Cleveland - \$1,000; Cleveland State Foundation - \$1,000; Pine View Elementary School Junior Beta Club, Rockwood - \$800; Sundowners, Athens - \$750; Cumberland County 4-H Honors Club - \$700; Pickett County Elementary School 3rd Grade Math/Science Explorer's Club - \$566; Mt. Carmel Ladies of Action, Decatur - \$500; Meigs County Retired Teachers Association - \$500; Calhoun Volunteer Fire Department - \$500; Meigs County Historical Society - \$500; Spring City Elementary School PTO - \$400; Etowah Area Senior Citizens Center - \$250; and Prospect Elementary School PTO, Cleveland - \$200.



VECcustomers Share Board Member Harold Reno, center, presents a grant check to George Martel and Tommy Townsend of Disabled American Veterans Chapter 25.



Old Office



Crossville Crew



First Line Crew

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can be summed up in two words - growth and progress.

By June of 1940, the Cooperative was serving 3,631 members. In the span of five years, from 1940 to 1945, VEC almost doubled in size, listing a membership of 6,488.

VEC experienced the largest growth during the late 1940s and early 1950s when the Rural Electrification Administration pushed cooperatives to build lines to as many customers as possible under the "Area Coverage" program.

Today, Volunteer Energy Cooperative is one of the largest rural electric cooperatives in the nation, serving more than 109,000 members in all or part of 17 Tennessee counties with more than 9,000 miles of power lines strung from the Georgia to Kentucky borders.

With its corporate office in Decatur, Tennessee, VEC serves its members through nine customer service centers in Benton, Cleveland, Georgetown, Decatur, Spring City, Crossville, Monterey, Jamestown and Byrdstown. The nine offices are administered through the Cleveland, Decatur, Crossville and Jamestown service areas.

The affairs of Volunteer Energy Cooperative are governed by a Board of Directors consisting of 12 members representing the 17 counties served. The Board of Directors is responsible to the members for the policy making function of the Cooperative. It delegates authority to the President/CEO, who is responsible for the overall operation of the organization.

Six men have served in the leadership role at Volunteer Energy Cooperative:

W. S. Bates 1936-1951

W. I. Fisher 1951-1968

Earl Ware 1968-1979

Jerry Dover 1979-1982

William M. Buchanan 1982-2005

Roderick Blevins 2005-Present

The cooperative has six staff departments which are Executive, Accounting and Finance, Operations, System Planning and Engineering, Marketing and Economic Development, and Information Technology. The vice presidents of these departments form the Management Council.

The cooperative purchases electric power from the Tennessee Valley Authority at wholesale rates and distributes the electricity to consumers. Volunteer Energy is a non-profit organization and is pledged to bring electricity to the member-consumers at the lowest possible rate.

In 1994, the Rural Electrification Administration, under government reorganization, became the Rural Utilities Service with additional responsibilities to provide more utility services to rural customers, including water, sewer, telecommunications, and natural gas.

VEC continues to develop strategies to maintain strength in the years ahead. New substations have recently been completed in Bradley, Hamilton, Cumberland, and Polk counties. An aggressive in-house economic development plan not only assists in attracting new organizations to VEC's service area but also ensures



that existing businesses remain productive and profitable.

Increasing use of technology will allow VEC to remain competitive in the years ahead. Real-time communications with substations via the SCADA system allows remote monitoring and troubleshooting. Automated meter reading is being implemented across VEC's service area. Internal computer upgrades will guarantee continual customer service improvement and have paved the way for electronic bill presentation and payment.

In 2001, VEC launched VECcustomers Share, a program

that awards grants to community organizations in its service area. The impact has been huge, with more than \$3.2 million already awarded. Funds come from VEC customers who agree to have their bills rounded up to the nearest dollar to help their neighbors.

In its 75 years of operation, Volunteer Energy Cooperative has grown and prospered; bringing prosperity to the region it serves. Change is inevitable; however VEC has not lost sight of the reason for its existence - the members it serves.

Bledsoe County...

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VEC's Vice President of Marketing and Economic Development Patty Hurley said Life Line Foods is VEC's fifth Green Power Switch Generation Partner® overall and the first commercial member.

"We hope Life Line Food's participation in the program is going to pave the way for more commercial participants," Hurley said. "We have really appreciated the opportunity to work with Mr. Burks and Life Line Foods."

- The new solar electric system is expected to offset about half of the cost of the facility's entire energy demand in an average year. The grid-tied system will feed into the utility lines of VEC and TVA. TVA will purchase all of the green energy output at a rate of 12 cents per kilowatt-hour above the retail rate and any fuel cost adjustments.

- LightWave Solar Electric, based in Nashville, designed and engineered the 29.44 kW system.
- Life Lines Foods is a 40-year-old family-owned company located in Pikeville. Their Buried Treasure™ line of liquid nutritional supplements is marketed nationally and globally.

Tennessee Valley Authority (TVA)

**Residential Fuel Cost Adjustment
Effective March 1, 2010**

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For the most current FCA information, visit www.vec.org