



How much does it cost to use an electric appliance?

Three things determine the cost of using an electric appliance:
Wattage • Number of hours it operates • Cost of electricity

$$\boxed{\text{Kilo-Watts}} \times \boxed{\text{Hours of Operation}} \times \boxed{\text{Cost of Electricity}} = \boxed{\text{Cost of Operating the Electric Appliance}}$$

Wattage – A watt is a measurement of electricity. A 100-watt light bulb uses 100 watts of electricity when lighted. Appliances and light bulbs are labeled with the watts or wattage they use. A kilowatt is 1000 watts. A kilowatt-hour (KWH) is 1000 watts (one kilowatt) of electricity used for one hour. Residential electric meters measure kilowatt-hours.

Number of hours it operates – Some home appliances, such as a clock, fan, and washing machine, use electricity the entire time they are 'on.' Other appliances, such as the water heater, refrigerator, and range, cycle 'on' and 'off.'

Cost of electricity – If the cost of electricity for residential use is \$0.09 per kilowatt-hour, you can calculate the total cost of operation of an electric appliance or, in the following example, a light bulb.

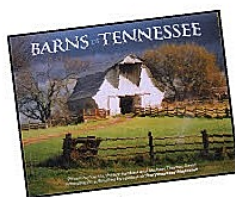
Example: 100-watt light bulb 'on' for 20 hours
100 watts = 0.1 kilowatt 1000 watts = 1 kilowatt

$$\boxed{0.1 \text{ kilowatt}} \times \boxed{20 \text{ hours}} \times \boxed{\$0.09} = \boxed{\$0.18 \text{ or } 18\text{¢}}$$

Note: Sometimes the wattage is not indicated on the appliance, but the voltage and amperage are usually listed on the nameplate of the appliance. In this case, the wattage is determined by multiplying the voltage times the amperage. Volts x Amps = Watts. Also, one horsepower is equal to 746 watts.

Example for calculating a monthly residential bill for the energy use of 1846 kWh:

Customer Charge:	\$11.60	
Energy Charge:	\$159.00	(1846 x \$0.08613 = \$159.00)
Fuel Cost Adjustment:	\$8.07	(1846 x \$.00437 = \$8.07)
Net Amount:	\$178.67	(amount to be paid on or before the due date)



Find the Barn Winners

May's winners in the www.vec.org "Find the Barn" contest were Peter David Reeme of Byrdstown and Rene' Smith of Crossville. Reeme and Smith won 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

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.

Visit the VEC website at www.vec.org to find tools to save money and make your life easier.



When a 'Subsidy' isn't Really a Subsidy

Rody Blevins is President/CEO of Volunteer Energy Cooperative

During this climate of high federal budget deficits the word "subsidy" has become a negative term. Any budget item that has the term subsidy attached to it has become a target.

Under that criterion the current administration's proposed fiscal 2011 budget targets Rural Utilities Service (RUS) electric loan program funding for a \$2.6 billion cut. While we can applaud the efforts to reduce the federal deficit, this is a clear case of "cutting off the nose to spite the face" because the RUS loan program actually generates revenue for the federal government.

These loans allow VEC...to make major improvements without raising electric rates.

The way the program works, rural electric utilities like Volunteer Energy Cooperative can apply for these RUS loans in order to fund large-scale improvements to our electricity distribution systems. The loans are then paid back – with interest.

These loans allow VEC and other rural electric cooperatives to make major improvements without raising electric rates. The federal government makes money on the transactions through the interest payments. It is a true win-win situation.

Adding insult to injury, the proposed budget leaves in place large tax breaks that go to for-profit and municipal electric utilities. These tax "subsidies" are a drain on the federal budget and produce no revenue for the federal government. But since these tax breaks don't carry the "subsidy" label, they are

not targeted under the new budget proposal.

The proposal not only unfairly targets rural, consumer-owned electric utilities like VEC, it doesn't make sense. Basic mathematics tells us that cutting revenue-generating programs while leaving revenue depleting programs in place will increase the federal deficit – not reduce it.

Cutting RUS loan program funding is also counter-productive in the effort to increase energy efficiency and the reduction in the demand for electricity because RUS loans also help fund projects that increase

efficiency and reduce the need for additional electricity generation.

President Franklin D. Roosevelt signed an executive order 75 years ago establishing the rural electrification program with the understanding that electric cooperatives are more than just poles and wires. He understood that the federal government was creating a partnership and a bond with those citizens who could not afford electric power.

Now, 75 years later, that bond is under attack.

Targeting a good program that produces revenue for the federal government is no way to reduce the deficit. I urge all VEC customers to contact their legislators and remind them that we still understand basic math.



Co-Founder's Daughter Gives First-Hand Account of VEC Origins

Sophie Trent was one of the visitors at a recent reception at VEC's Decatur

Customer Service Center to celebrate the 75th anniversary of the founding of the cooperative. She spent some time browsing through the photos and displays that chronicle VEC's 75-year history, but she really didn't need to look at the photos - she lived them all.

Sophie Trent was formerly known as Sophie Shadow. She is the daughter of W.A. Shadow - one of the two visionary co-founders of the organization that would eventually evolve into Volunteer Energy Cooperative.

"He was a visionary," she said of her late father. "He didn't dwell on what was going to happen today or tomorrow. He focused on what was going to happen in 20 years."

And what W.A. Shadow, the son of German immigrants, envisioned in 1929 when he first arrived in Meigs County was a better life for everyone who lived there.

Shadow, who served as a pilot in WWI, earned his degree in horticulture from the University of Tennessee and became one of Tennessee's first county agents. When he arrived in Meigs County he found a community with no paved roads and no indoor plumbing. He had seen how other communities benefited from modernization and he wanted the people in Meigs County to enjoy that higher standard of living as well.

But Sophie says that when her father started working to gain affordable electric service in the area, people were skeptical.

"A lot of people didn't think it would work," Sophie said. She also adds that as the U.S. was drawn into WWII, Shadow's German heritage made him the object of suspicion.

"People suspected him of being a German spy," Sophie said. "Most parents

wouldn't let their children play with us." But Shadow would not be deterred by the skeptics.

In 1933, when Congress created the Tennessee Valley Authority (TVA), Shadow saw his opportunity. He solicited the help of County Attorney J.W. Lillard and the two began trying to gather public support for a consumer-owned electric cooperative.

The movement gained momentum and on May 29, 1935 about 500 Meigs County residents met at the Meigs County Courthouse and formed the Meigs County Power Association.

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. The Meigs County Power Association was the first rural electric cooperative in the nation to take advantage of this funding opportunity and by Aug. 6, 1936 the first power lines were energized.

For the first month of operation, 5,019 kilowatt-hours of electricity was distributed with a total income of \$183.16.

Sophie remembers her family's first electric appliances.

"We got a refrigerator and a washing machine because they were the most practical," Sophie said.

Sophie also recalls an instance during those early years that revealed her father's commitment to the citizens of Meigs County.

She said it was a bitterly cold winter day when triplets were born to a family just outside Decatur where electric service was not available. Dr. Able, the delivering doctor, contacted Shadow telling him that he feared the babies would not survive the bitter cold in the leaky cabin without some electric heat.

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VEC Customers Share

Your Spare Change Makes a Difference

The VECustomers Share program funded \$31,400 in community service grants in May. Since the inception of the program in October 2001, more than \$3.4 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 May include: Cumberland Children's Center House of Hope - \$2,000; Muscular Dystrophy Association - \$2,000; Monterey Civitan Club - \$1,500; Polk County Education Foundation - \$1,500; Fair Park Senior Center, Crossville - \$1,500; Art & Drama Club, Byrdstown - \$1,500; Cumberland County Trap Team SCTP - \$1,500; Art Circle Public Library, Crossville - \$1,000; Midway High School Golf Boosters - \$1,000; Health Occupations Students of America, Decatur - \$1,000; Monterey Senior Citizens Center - \$1,000; BASIC of Tennessee, Birchwood - \$1,000; Meigs County Middle School PTO - \$1,000; Midway Quarterback Club - \$800; Friends of the Midway Elementary School Library - \$800; York Institute Advanced Choir, Jamestown - \$750; Etowah Area Senior Citizens Center - \$750; National MooFest, Athens - \$750; Cub Scout Troop 277, Clarkrange - \$750; Sew Sweet Quilters, Allardt - \$750; Riceville Dizzy Dean Baseball - \$550; Cleveland-Bradley Retired Teachers Association - \$500; Byrdstown Headstart - \$500; Chattanooga F.O.P. 22 - \$500; Volunteer Parents of York Institute Bowling Team, Jamestown - \$500; Camp Agape "Funday," Benton - \$500; Meigs County 4-H - \$500; Burks Middle School 5th & 6th Grade 4-H, Monterey - \$500; Delano Lions Club - \$500; Meigs County Archery Club - \$500; Order of the Eastern Star, Byrdstown - \$500; Cleveland/Bradley County Chamber Foundation - \$500; Blue Heat Fastpitch Softball, Cleveland - \$400; Museum Center at Five Points, Cleveland - \$400; Behavioral Research Institute, Cleveland - \$400; Chattanooga Central High School Wrestling Booster Club, Harrison - \$300; Veterans Service Office, Byrdstown - \$300; McMinn County Youth Health Council - \$250; Skills USA, Tennessee Technology Center, Athens - \$250; and Bradley County Committee on Aging - \$200.



VECcustomers Share Board Members (from left) Jerry Stephens, Carlton Norris, Gloria Schouggins, Donald Williams, and Harold Reno present a grant to Christy Striker of the Muscular Dystrophy Association.

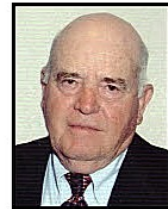
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Candidates Vying for VEC Board Positions

The following candidates have qualified to run for positions on the Volunteer Energy Cooperative Board of Directors in districts in which the current directors' terms of office are expiring.

There will be no contested election in District 9. Ballots for the District 1 and District 5 elections will be mailed August 30th.

District 1 - Polk County

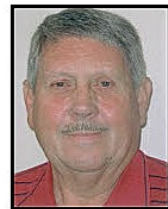


Marvin Stinnett

Marvin Stinnett, of Old Fort, is the incumbent member of the Volunteer Energy Cooperative Board of Directors representing Polk County. He has served on the VEC Board since 1987. He is retired and the former owner of Stinnett Pallet.

He has served as a Gideon for 40 years and is a 30-year member and past president of Old Fort Community Club. He is also a member of the Benton Lions Club.

He and his wife, Evelyn, have two children, Mike Stinnett and Ann German, and attend Blue Ridge Temple Baptist Church where he serves as a deacon and a trustee.



David J. Milen

David J. Milen, of Benton, was born in Old Fort and graduated from Polk County High School. He served four years in the U.S. Navy and is retired from Norfolk Southern Railroad Company.

He has served on the Polk County Commission for 16 years and is also a member of Ocoee Lodge #212 Chattanooga Scottish Rite.

He and his wife, Daphne, have two children, Deanna Sloan and Dusty Milen, and attend First Baptist Church in Benton where he serves as a deacon and the director of the Christian activities building. He has also coached Little League Baseball for 12 years.

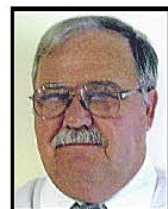
District 5 - Meigs County



Sammy Norton

Sammy Norton, of Decatur, is the incumbent member of the Volunteer Energy Cooperative Board of Directors representing Meigs County. He has served on the VEC Board since 2000. He earned his Credentialed Cooperative Director certification from the National Rural Electric Cooperative Association.

Norton is a dairy farmer and a graduate of Meigs County High School. He has served on the board of directors for the Valley Farmers Cooperative and served on the Farm Services Agency board from 1983 to 1997. He is also a member of Meigs County Masonic Lodge. He has four children, Shelly, Chris, Andrea, and Tonya. He is a member of Pisgah Baptist Church and has served as a Gideon for several years.



Duane Johns

Duane Johns, of Decatur, is a Meigs County High School graduate. He attended Cleveland State Community College and earned his Bachelor's Degree from the University of Tennessee. He served in the U.S. Army and is retired from the Tennessee Department of Human Services where he served for more than 32 years.

He has been a member of the Decatur American Legion Post #79 since 2002. He is a member of the Tennessee County Veterans Service Officers Association and the National Wild Turkey Federation.

He and his wife, Deborah, attend Cottonport Road Church of God.



Fletcher L. Letner

Fletcher Letner, of Decatur, is a Meigs County High School graduate and has also completed TVA- sponsored courses at the University of Tennessee. He is retired from his position as Community Services Director for McMinn County where he earned recognition.

He served as president of the Ten Mile Lions Club in 1981 and also served on the TVA Health and Safety Committee in 2000. He is currently a member of Masonic Lodge 213.

He and his wife, Brenda, have a son, Brian Letner, and they attend Concord United Methodist Church.

District 9 - Cumberland County East



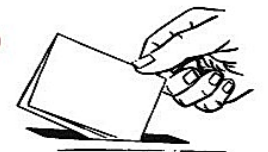
Randy Bond

Randy Bond, of Crossville, is the incumbent member of the Volunteer Energy Cooperative Board of Directors representing Cumberland County East. He has served on the VEC Board since 1997. He is executive vice president at Cumberland County Bank.

Bond graduated from Fort Knox High School in Fort Knox, KY. He earned his Bachelor's of Business Administration degree from the University of Kentucky and his Master's Degree in Business and Education from Tennessee Technological University. Bond served as an Infantry Squad Leader with the U.S. Army's 7th Cavalry Division in Vietnam from 1968 to 1970.

He has served on the Board of Directors Hilltoppers, Inc., since 1983 where he has served as chairman and on the finance committee. He is also a board member for Uplands Retirement Village, and treasurer of the Mabel Harrison Fund. He and his wife, Glenda have two children, Michael and Scott, and are members of First United Methodist Church in Crossville.

Ballots Coming Soon to VEC's Polk and Meigs County Districts



VOTE

VEC Board of Director election ballots will soon be mailed out to VEC members in District 1 (Polk County) and District 5 (Meigs County). District 9 (Cumberland County East of Highway 127) is an uncontested race this year.

District 1 and District 5 ballots will be mailed on August 30th; completed ballots must be received at the offices of the election auditor Henderson, Hutcherson, and McCollough by 5 p.m. Eastern time on September

17th. VEC members whose primary membership is in these districts are eligible to vote and should get a ballot in the mail. These are mailed separately from the electric bills.

The voting for board of directors is based on VEC memberships, not the number of meters that are assigned to a member. Each VEC membership receives one vote in the election.

Information on the candidates appears elsewhere in this issue of *Powerlines*.

Co-Founder's Daughter... Continued from page 1

So Shadow ran electric lines through the fields and his wife, Mary, fashioned incubators out of light bulbs and cardboard boxes to assist.

"He just really wanted to help the people here," Sophie said.

The organization that Sophie Shadow Trent's father helped create grew rapidly and went through a few name changes. In 2001 the

organization took on its present name - Volunteer Energy Cooperative and in 2010 VEC serves about 110,000 customers and maintains about 9,000 miles of electric lines across 17 Tennessee counties.

Sophie Trent and her husband, Henry, now reside in Athens and enjoying fishing the area lakes and streams. And she also looks back with understandable pride at the impact her father's efforts have had on the quality of life in the region.

Tennessee Valley Authority (TVA)

Residential & Outdoor Lighting Fuel Cost
Adjustment Effective August 1, 2010
\$.00437

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