

VEC offers College Scholarships

Volunteer Energy Cooperative (VEC) wants to reward students who have used their time and talents to benefit their local communities. VEC's Lillard-Shadow scholarship program rewards academic and community service achievements by awarding four \$2,000 scholarships to students who will graduate from high schools in VEC's service area in the spring of 2012.



The scholarships honor J.W. Lillard and Willis A. Shadow, two community leaders who spearheaded efforts to bring electric power to Decatur and Meigs County in the 1930s, forming the organization that would become Volunteer Energy Cooperative. Mr. Shadow and Mr. Lillard were instrumental in improving the lives and livelihoods of thousands of residents through electric power.

Four awards of \$500 per semester each (renewable for up to four semesters) will be presented to spring 2012 high school graduates whose parents or guardians are VEC electric customers. Applications will be judged by an independent panel based on student's community service activities and citizenship - 40%; written communication skills - 20 %; financial need - 25%; and academic achievement - 15%.

Scholarship applications are available at any VEC Customer Service Center or from high school counselors in the VEC service area. Applications are also available online at www.vec.org.

All application materials must be completed and delivered to VEC's Corporate Office in Decatur no later than 5 p.m. Eastern Time on March 2, 2012.

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.

VEC GIVE-A-WAY

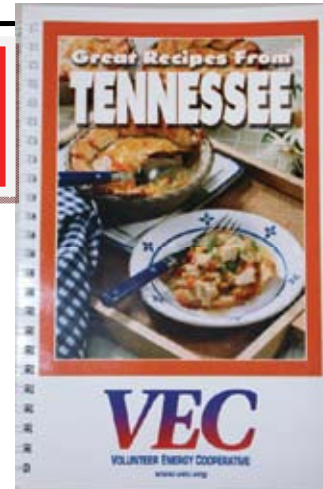
Submit your favorite recipes at www.vec.org and

receive a free copy of

“Great Recipes from Tennessee” cookbook

while supplies last

VEC
 VOLUNTEER ENERGY COOPERATIVE
www.vec.org



Make Sure Your Automatic Payments are Really Automatic

Signing up for VEC's Automated Bank Draft payment program takes the stress and the hassle out of paying your electric bill. If you take advantage of this program, however, it is essential that you notify VEC of any changes that might affect your payment.

Failing to notify VEC if there are changes in your bank routing number, credit card number, or other account information could result in delays and late charges. Don't let simple oversights offset the benefits of this simple, hassle-free program.

When It Comes to Energy Efficiency and Energy Conservation, the Little Things Add up

It's no secret that it is much easier to get people to support a cause if they understand the reason behind it and the potential impact it can have on the outcome. According to www.campaignearth.org, Americans make up 4% of the world's population but consume 26% of its resources. We are not a society accustomed to conserving.

And do small steps really make a difference when it comes to energy efficiency and energy conservation?

Consider:

- Each incandescent light bulb replaced with a CFL reduces the amount of CO₂ released into the atmosphere by 150 pounds per year.
- Studies indicate that when we drive, we spend an additional \$0.20 per gallon of gas and reduce our fuel efficiency 7% – 23% for every 5 miles per hour (mph) over 60 mph. And if we each drove just 20 miles less per week for one year, we would reduce the amount of CO₂ released into the atmosphere by 900 pounds. Even a simple adjustment like keeping your tire pressure at the recommended level can increase the fuel efficiency of your car. None of these solutions significantly impact your daily life; collectively however, they make a big difference.
- If you leave your TV on when you aren't watching it, consider this – a typical 27" widescreen LCD that runs 16 hours a day will cost you about \$7 extra per month on your electric bill.
- If you run a small space heater eight hours a day, it will cost you about \$16 extra per month on your electricity bill.
- In winter set your thermostat at the lowest comfortable setting. Each degree above 68 that you set your thermostat during winter can increase your heating bill by as much as 4%.
- Keep your fireplace damper closed at all times except when a fire is going. Accidentally leaving the chimney flue open is like leaving a 2' x 2' window open. You also want to make sure that when the damper is closed, it closes snugly and doesn't leave gaps where air can escape.

For more energy saving tips, visit www.vec.org.

Special Recognition

Julia Wright, of the Hiwassee Chapter of the American Red Cross (standing center) recognized the VECustomers Share Board of Directors for their efforts to assist victims of the April 2011 tornados.



Pictured are: (seated from left) Gloria Schouggins, Joyce Callahan, Doug Ford, VEC President/CEO Rody Blevins, (standing from left) Alton Lingerfelt, Jim Purcell, Bobby Scott, Galen Rector, Wright, Jim Taylor, Pete Williams, and Bill Womac.

VECcustomers Share

VECcustomers Share Surpasses \$4 Million in Grants

Volunteer Energy Cooperative's VECcustomers Share program surpassed \$4 million in total grants funded. In November members who participate in the program funded \$31,400 in community service grants. By rounding their electric bills up to the next whole dollar and donating the change to the program, members have now funded more than \$4 million since its inception in October of 2001. 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.



VECcustomers Share board members Jim Purcell (left) and Holly Neal (right) present a grant check to Vanessa Petty of Cumberland County Habitat for Humanity.

Organizations receiving grants in November

Fair Park Senior Center, Crossville - \$2,000	Fentress County Children's Center - \$1,000
Monterey Masonic Lodge - \$1,750	Peavine Care Center, Crossville - \$1,000
Health Occupations Students of America, Decatur - \$1,700	The Caring Place, Cleveland - \$1,000
Clyde York 4-H Center, Crossville - \$1,500	Pickett County Junior High Math Club - \$1,000
Meigs County High School Spanish Club - \$1,300	Toys for Children, Spring City - \$1,000
Picket County Grade 7 Language Arts Club - \$1,250	Midway Middle School Beta Club - \$750
Friends of the Fentress County Library (Imagination Library) - \$1,250	Midway Hall of Fame - \$750
Monterey Lions Club - \$1,250	Fentress County Public Library - \$750
Nocutula Civitan Club, Decatur - \$1,200	Pickett County Junior High Reading Club - \$750
Cherokee Removal Park (Blythe Ferry), Birchwood - \$1,000	Spring City Middle School 7 th Grade Tremont Booster Club - \$725
Chestuee Youth Club (Polk County) - \$1,000	Spring City Middle School 8 th Grade Washington, DC Booster Club - \$625
Chestuee Youth Club (McMinn County) - \$1,000	Brown Middle School PTO, Harrison - \$550
Cumberland County Clay Crushers Scholastic Clay Trap Program - \$1,000	Midway Youth League - \$500
National Center for Youth Issues, Hamilton County - \$1,000	The Trousdale School, Cleveland - \$500
Midway High School PTO - \$1,000	FCE Woody Club – UT Extension, Crossville - \$500
	Tennessee Valley Theatre, Spring City - \$500
	Etowah Area Senior Citizens Center - \$300



Several Long-term Projects Nearing Completion at End of Calendar Year

Rody Blevins is President/CEO of Volunteer Energy Cooperative

As I write this column, 2011 is winding down and with the end of the calendar year we are nearing the completion of several long-term capital projects. It has been a challenging but productive year at VEC.

SUBSTATIONS

In 2001 we began a 10-year capital project to upgrade the capacity of our substations. During 2011 we made a great deal of progress. We expect to complete construction of a new Byrdstown Substation in Pickett County in the spring of this year.

In 2011 we completed major upgrades to the Riceville Substation in McMinn County, The Ravenscroft Substation in White County, and the Spring City Substation in Rhea County. These upgrades, along with those we completed in the previous years of the plan, have increased capacity all across our system and improved our reliability.

INVENTORY MAPPING SYSTEM

As 2011 ends we are also nearing completion of a 5-year inventory mapping project. The system ties in with our Outage Management System and helps our dispatchers pinpoint problems. With a detailed map of our equipment, dispatchers can get the needed manpower and materials to the right location much quicker. That reduces outage times and even helps us prevent some outages.

RIGHT-OF-WAY

Another important project that will help eliminate many outages is our right-of-way clearing project. We began an aggressive program of right-of-way maintenance six years ago and as 2011 draws to a close we've covered about 75% of our service area. About 80% of our outages are caused by trees and tree limbs falling into power lines. Clearing these trees and tree limbs out of is an important tool in cutting down on outages. It's also a "never-ending" project because when we complete clearing all our rights-of-way it will be time to start over again. We are working toward the goal of clearing all our rights-of-way every six years.

POLE INSPECTIONS

A program that goes hand-in-hand with our right-of-way clearing and inventory mapping projects is our pole inspection program. About nine years ago we began an aggressive pole inspection program in an effort to spot deteriorating poles and older equipment. Again, this is to spot potential problems BEFORE they happen. Since beginning this project we have replaced about 12,000 older utility poles. We are working toward a goal of inspecting 100% of our poles every 15 years.

AUTOMATED METERING INFRASTRUCTURE

As 2011 drew to a close we are very close to completing our 5-year project of replacing residential meters with newer, automated meters. Instead of "smart" meters we opted to go with hard-wired meters that send daily readings through the power lines.

THE IMMEDIATE FUTURE

Many of our long-term projects are complete – or very nearly complete – at the close of 2011, but that doesn't mean 2012 isn't presenting new challenges. As I noted above, many of these major projects are designed to be ongoing efforts.

In addition to these continuing endeavors, I anticipate that 2012 could be a challenging year in terms of legislation. There are several efforts under way with regards to the environment and the Environmental Protection Agency which could have a major impact on the electricity industry and in the amount of money consumers are forced to pay for electricity.

But whatever challenges 2012 brings, we will do our best to meet those challenges without losing sight of our mission: To provide the best possible service at the lowest possible price.

Beware of Energy Scams



Volunteer Energy Cooperative (VEC) officials have recently been made aware of two different scams that involve thieves posing as VEC employees or VEC contractors.

VEC's free In-Home Energy Evaluation (IHEE) program is a great deal for our customers. Through the program more than 1,500 VEC customers have taken advantage of free in-home energy evaluations and received professional advice on how to save money on their energy bills.

But it seems like every time something good like this comes along there are a few who want to look for a way to take advantage of it for a dishonest purpose. VEC was recently notified by a neighboring utility that they have been receiving complaints from customers who have been visited by scam artists posing as energy evaluators.

The victims have reported that two men have been going door-to-door asking to conduct energy audits and promising to save the residents money on their utility bills. Victims report the scammers are very persuasive and ask to measure rooms and check doors and windows. Apparently one of the men engages the resident while the other either takes cash and valuables from other rooms or looks for unsecured valuables and possible entry points to take advantage of later.

Victims also report the thieves offer no business cards or printed materials and they say they will contact the resident later with follow-up information.

The second scam that has been reported is individuals calling customers claiming to be VEC meter installers. They attempt to set an appointment to install a new meter at the customer's home and tell the customer that they will need to collect a fee at that time.

VEC meter installers NEVER collect a fee for this service.

During these tough economic times folks are understandably looking for ways to save on utility bills and these thieves are taking advantage of that desire to victimize people.

VEC's energy evaluators will NEVER call on a home unless an appointment has been scheduled in advance and confirmed with the resident.

VEC energy evaluators don't approach customers who have not contacted VEC first requesting an evaluation. VEC energy evaluators carry photo identification and will also provide customers with plenty of marketing materials, program paperwork, and contact information.

VEC asks customers who are approached by people posing as VEC energy evaluators who cannot produce this identification or program materials to contact VEC and local law enforcement.

Tennessee Valley Authority (TVA) Residential & Outdoor Lighting Fuel Cost Adjustment Effective January 1, 2012

2.439¢

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

TVA is now reflecting the full cost of fuel used to generate electricity in the Fuel Cost Adjustment. Previously the FCA only included a fraction of this cost and the energy charge included the remainder. As a result of TVA's most recent change, the Fuel Cost Adjustment for electric consumers throughout the Tennessee Valley shows a substantial increase beginning in April 2011. The energy charge drops as the fuel cost is removed from this segment of the charge.