

## Young Fentress County Leaders Attend Statewide Conference on Cooperatives, Agricultural Issues

More than 400 people from across the state met in Franklin on Friday and Saturday, Feb. 22 and 23, for the Tennessee Young Leaders Conference, an annual event that educates and equips leaders in cooperative and agricultural issues.

The conference was sponsored by the Tennessee Council of Cooperatives (TCC) and Tennessee Farm Bureau's Young Farmers and Ranchers (YF&R). Volunteer Energy Cooperative is a member of TCC, an organization composed of a variety of cooperatives including farm electric, dairy, farm supply, telephone, and tobacco co-ops as well as farm credit banks and Farm Bureau.

Volunteer Energy Cooperative sponsored local attendees Brandon and Jennifer Tompkins of Fentress County.

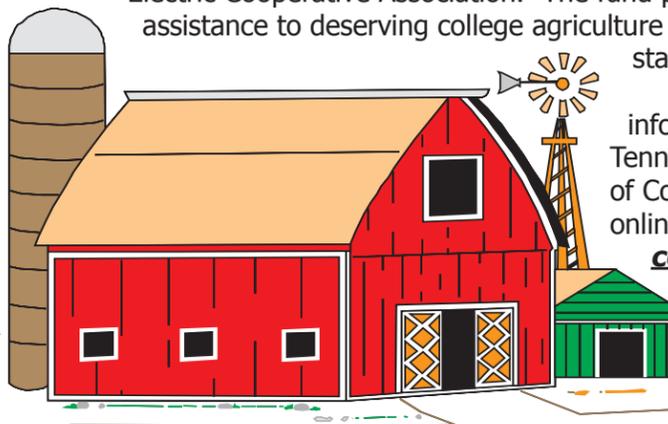
The Young Leaders Conference brings couples and individuals together from rural communities to learn about cooperatives, share their views about agriculture, and discuss current issues facing rural Americans. The theme of the conference, "Cooperatives: Building a Better Tennessee," was also the theme of a video produced by the TCC last year in observance of 2012 as the International Year of Cooperatives. The video was shown to kick off the conference on Friday night, followed by rousing entertainment by the YF&R Band.

TCC board member Keith Harrison, Tennessee Farmers Cooperative marketing, advertising, and promotions coordinator, said delegates to the Young Leaders Conference are the future leaders of cooperatives across the state.

"It's amazing how most of the attendees have connections to all the cooperatives that are part of TCC," Harrison said. "And it's important for these future leaders to be involved and trained to prepare them for their leadership roles when their turn comes. The networking among all the conference participants enhances cooperation in the long term."

Those attending the 2013 conference attended sessions that ranged from media relations to building strong community and cooperative leadership. Mike Keith, the voice of the Tennessee Titans, was also a keynote speaker at the event. At lunch on Saturday, the TCC also presented a \$1,000 contribution to the John Willis Memorial Scholarship Fund to honor Tom Purkey, longtime president of the Tennessee Electric Cooperative Association. The fund provides financial assistance to deserving college agriculture students in the state.

For more information on the Tennessee Council of Cooperatives, visit online at [tennesseecouncilofcoops.org](http://tennesseecouncilofcoops.org).



## VEC Engineers Honored for Research, Development

Volunteer Energy Cooperative President/CEO Rody Blevins and engineer Matthew Teague were recently recognized by the Electric Power Research Institute (EPRI) for their outstanding work in research and development. Representatives from seven local power companies were honored, while 13 engineers and technical experts from TVA were recognized.

Local power company representatives were chosen for their work in the category of Power Delivery & Utilization, specifically the collection and analysis of data involving power transformer and circuit breaker fleet management. These representatives included: Brent Norris, Bowling Green Municipal Utilities; Michael Watson, Duck River Electric Membership Corporation; Barry Smith, Gibson Electric Membership Corporation; Philip Lim, Jason Simon, and Neil Strongsky, Memphis Light, Gas & Water; Norm Cruise, Tupelo Water & Light; Matthew Teague and Rody Blevins, Volunteer Energy Cooperative; and Andrew Lindsay, Warren Rural Electric Cooperative. TVPPA's Bruce Harvey and TVA's Bruce Rogers were also recognized for their work on this project.

For TVA, the 13 recipients represented the most ever in a single year. They were recognized for their work in the categories of Power Delivery & Utilization, Environment, and Generation. In addition to Rogers, TVA representatives included Bradley Baucom, David Smith, Philip Wiginton, David Till, DeJim Lowe, Ed Stephens, Mellissa Cook, Ross Vincent, Jean Ortiz, Xavier Cotto, Heriberto Gonzalez, and Randall Olson.

"The winners have shown exceptional application of EPRI research and technology to solve a problem of size and significance, champion a technology both within their companies and across the industry, drive progress in the electricity sector, and provide meaningful benefits for their stakeholders and society," said Tom Alley, vice president of Generation at EPRI.



Matthew Teague



Rody Blevins

Second in a Series

## How TVA Affects VEC Rates

Last month I kicked off a series of columns designed to give VEC member-owners a look at how your electric rates are calculated and how a variety of factors have an impact on how much you pay for electricity.

Last month's column was a broad overview of how VEC is structured as a not-for-profit, member-owned cooperative that is restricted to charging only what it costs to provide service. I noted that 80 cents out of every dollar VEC collects from our customers goes right back to TVA to purchase electricity. The remaining 20 cents is what VEC uses to build and operate substations, 9,000 miles of electric lines, erect poles, install and maintain transformers and to maintain all the other equipment and personnel necessary to deliver electricity.

I also briefly mentioned that the Tennessee Valley Authority is not only VEC's electricity supplier – they are also our regulators. Our rate structure must be submitted to and approved by TVA.

This month I would like to look more closely at how TVA bills VEC for purchased electricity and how that impacts our rates.

Just as our member-owners have an electric meter that VEC uses to determine how much electricity each of our customers uses, TVA meters the amount of electricity VEC uses. These meters are located at each of VEC's 33 substations where VEC receives the electricity from TVA's transmission lines.

In addition to metering the total amount of electricity VEC receives, TVA also monitors VEC's demand. Demand is a measurement of how much electricity VEC needs to meet the needs of our customers at peak use. Since TVA must maintain the means necessary to meet the peak demand of VEC customers, the costs can vary depending upon what that highest demand level is. VEC does not pass along demand charges to residential customers but VEC's rates must be set in a way that recovers these additional costs.

TVA also adjusts the rates VEC pays based on the season of the year. Summer rates are the highest because that is when TVA is unable to meet the demand for electricity with hydroelectric dams, coal, and nuclear units which are their cheapest ways to produce electricity. On the hottest days – when air conditioning units are operating the most, TVA must use its natural gas-fired power plants and purchase additional electricity on the open market to meet the demand. These are the most expensive ways to produce power.

The summer billing period includes June, July, August, and September. All other months fall under VEC's non-summer billing rate. Currently VEC's summer rate is 7.019 cents per kilowatt hour (kWh). The non-summer rate is 6.977 cents per kWh.

In addition to this base rate, TVA also adds a fuel charge to the kWh charge. This charge is adjusted monthly based on the costs TVA is charged for the fuel they use to generate electricity. It is not – as some believe – a charge for gasoline to operate vehicles.

VEC pulls this charge out on a separate line on our bills to allow customers to get a better view of exactly what goes into their bill. The TVA fuel cost for April of 2013 is 2.416 cents per kWh. VEC does not keep any money collected through the FCA. It all goes directly to TVA.

Next month we'll look a little closer at how VEC weighs the different costs we incur in providing service to a variety of customers who have a wide range of electrical needs.



Rody Blevins  
President/CEO  
Volunteer Energy  
Cooperative

## VEC Customers Share Neighbors Helping Neighbors



The VECustomers Share program funded \$33,300 in community service grants in February. Since the inception of the program in October 2001, more than \$4.5 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 Chairman Doug Ford, left, presents a grant check to Julia Reedy, Executive Director of the McMinn County Education Foundation.

## Notice of Election

In compliance with the bylaws of Volunteer Energy Cooperative, Article IV, Directors; Section 4.05, Notice of Directors to be Elected, I hereby give written notice that the following Directors' terms will expire this year:

- District No. 3 – Hamilton County
- District No. 4 – McMinn County
- District No. 7 – Roane and Loudon Counties

As set for the in Article IV, Section 4.06, in order for a member to become a qualified candidate for Director, he/she shall file with the Secretary of the Cooperative or with his/her duly appointed candidate, signed by him/her and not less than fifty other members in good standing whose premises served by the Cooperative are located in the directorate district of the candidate.

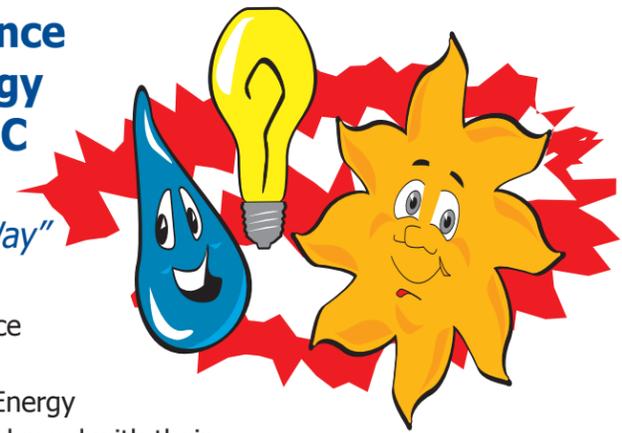
Qualifying petitions and other information pertaining to the elections can be obtained on or after May 24, 2013 by contacting Patty Hurley, Vice President of Marketing and Economic Development, P.O. Box 277, Decatur, TN 37322, or by calling 423-334-7050.

Qualifying petitions must be filed with the Secretary of the Cooperative or his designee at the VEC Corporate Office in Decatur, Tennessee by 5 p.m. EDT, June 7, 2013.

Sammy Norton  
Secretary-Treasurer

## Southern Alliance for Clean Energy Recognizes VEC

Says "Volunteer  
Energy Leads the Way"



The Southern Alliance for Clean Energy says members of Volunteer Energy Cooperative should be pleased with their efforts, as their Cooperative is leading the way on energy efficiency among the power distributors served by TVA. Late last year VEC, at the urging of their members, sent a letter to the Tennessee Valley Authority supporting a goal to reduce residential load by 1% with energy efficiency.

The letter asks TVA to reexamine its energy efficiency programs with an eye towards reducing program costs and making the programs easier for power distributors, such as VEC, to implement. VEC pointed out that power distributors have a wealth of experience in offering efficiency programs at the grass roots level. We hope that TVA can make use of this expertise at VEC and at other distributors to improve TVA's portfolio of energy efficiency programs.

VEC members who are also members of the Sierra Club's Tennessee Healthy Energy Campaign members are asking for the 1% energy reduction. SACE supports and participates in the Tennessee Healthy Energy Campaign. The campaign encourages members of cooperative and municipal utilities to speak up about energy efficiency. The goal is to motivate municipal and cooperative utility members to tell their utility to urge TVA to set a 1% annual energy efficiency target and to invest energy dollars in efficiency. This will create jobs, lower energy prices, and it will be an important step in protecting our climate.

SACE and other organizations have been focusing on a 1% energy savings goal.

## Organizations receiving grants in February

Birchwood Elementary PTA	\$1,750	Decatur Tigers	\$705	Polk County Alumni Association	\$500	American Red Cross of Southeast Tennessee, Polk County	\$500
Midway Youth League	\$1,500	SpiritHorse at Black Fox Therapeutic Riding, Cleveland	\$750	Etowah Arts Commission	\$500	American Red Cross of Southeast Tennessee, Meigs County	\$500
McMinn County Education Foundation	\$1,300	American Red Cross of Southeast Tennessee, Rhea County	\$750	Pickett County K-8 Junior High Book Club	\$500	Infusion Solutions, Crossville	\$500
Midway Teen Baseball Club	\$1,250	9 & 10 Year Old Decatur Tigers Dizzy Dean Baseball Team	\$500	Chattanooga Central High School Band Boosters	\$500	Spring City Middle School 7th Grade Tremont Booster Club	\$400
Polk County Retired Teachers Association	\$1,250	Martin Elementary School Football Boosters, Crossville	\$500	Sierra Hull Bluegrass Festival Committee, Byrdstown	\$500	Cookeville Housing Services Corporation	\$300
Spring City Middle School 8th Grade Washington D.C. Booster Club	\$1,100	Clarkrange High School Fellowship of Christian Athletes	\$500	Pleasant Hill Historical Society of the Cumberlands	\$500	Cleveland State Community College Foundation	\$250
Fentress County Literacy	\$1,000	Royal Family Kids Camp, Cleveland	\$500	Fellowship of Christian Athletes, Crossville	\$500	Chilhowee Middle School Volleyball Boosters, Benton	\$250
Bread of Life Rescue Mission, Crossville	\$1,000	McMinn County High School Choral Boosters	\$500	Burks Elementary School Baseball Booster Club, Monterey	\$500	Museum Center at Five Points, Cleveland	\$250
Peavine Care Center, Crossville	\$1,000	Rhea Medical Healthcare Foundation	\$500	Alvin C. York Institute JROTC, Jamestown	\$500	Happy Hearts Seniors, Benton	\$250
Mended Hearts Chapter 127, Cookeville	\$1,000	Mrs. Kim's First Grade Language Club, Byrdstown	\$500	Crossville Rotary Club	\$500	Ooltewah Band Boosters	\$250
American Red Cross of Southeast Tennessee, Bradley County	\$1,000	Pickett County Elementary School First Grade Readers Club	\$500	South Cumberland Elementary School Sixth Grade Club, Crossville	\$500	The Samaritan Center, Ooltewah	\$250
Health Occupations Students of America, Decatur	\$1,000	Martin Elementary School PTA	\$500	Buffalo Raider Club, Clarkrange	\$500	Christ Legacy Academy PTF, Athens	\$250
Muddy Pond Volunteer Fire Department, Monterey	\$950			American Red Cross of Southeast Tennessee, McMinn County	\$500	Jamestown Bulldogs	\$250
Mrs. Booher's Kindergarten Reading Club, Byrdstown	\$750						

### Tennessee Valley Authority (TVA)

Residential & Outdoor Lighting Fuel Cost Adjustment  
Effective April 1, 2013

# 2.416¢

For the most current FCA information, visit [www.vec.org](http://www.vec.org)