



Electro NEWS

P.O. Box 1335, 3230 N. 14th Ave., Dodge City, KS 67801 • (620) 227-2139 • www.victoryelectric.net

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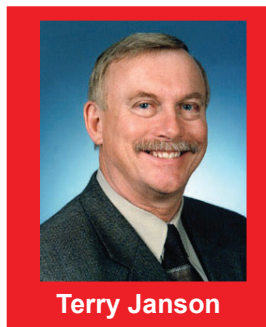
Manager's Message... Five years after, a stronger grid?

With rising energy costs affecting millions of families across the country, many wonder why energy costs continue to climb and if we will ever see a relief from these rising costs.

You may have noticed a higher energy cost adjustment (ECA) on your last electric bill. The ECA is designed to recoup increased power supply costs that are caused by the fluctuations in the price of fuel to generate electricity or purchased market-priced energy.

Fuel costs account for a significant percentage of our total cost to produce electricity. As usage exceeds our coal base load, we have to use other sources like natural gas and market-purchased energy, which are much more expensive. Energy is a commodity, and like every other commodity it is subject to the laws of supply and demand. When demand is high or supply is short, costs go up.

Many might say, why not wind? While wind is a crucial component of our energy grid, wind



Terry Janson

is not a stable source of energy. A backup source of energy, which usually consists of coal or natural gas, is needed on days that the wind doesn't blow.

Five years ago, widespread blackout power outages left millions in the dark. Systems have since improved, but with current demand for electricity rising, we are once again facing potential energy shortages.

The following article published in the Wisconsin Electric Cooperative Association's Condenser weekly newsletter details the power outages five years ago and where we are now.

Five years after, a stronger grid?

August 14, marked the fifth anniversary of cascading power outages that blacked out 50 million people in the eastern U.S. and Canada, bringing demands for stern measures to improve utility maintenance practices.

So, how's that going?

On August 11, the Detroit Free Press headlined, "State says lessons didn't stick for utilities after outages in 2003."

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Nola's Notes

By Nola Och



Nola Och is a recent graduate of Fort Hays State University with a bachelor's degree in general studies with an emphasis in

history. She graduated at the age of 95, making her the world's oldest college graduate. In the following article, Nola reminisces on her life experiences and the impact of rural electrification on rural communities.

Early settlers of Kansas would not recognize our state today. Their dreams were of productive farms and comfortable homes but rural electrification has greatly exceeded their dreams.

It has affected our daily home life much to our liking, and it has affected farming practices beyond all measure. Fields are irrigated by electrically driven sprinkler systems pumping water out of the ground – no manual labor involved!

Back in 1911, the little home on 'Aunt Betty's Bluff' where I was born, near Ramsey in Fayette County, Ill. was totally bare of all conveniences. Likely their water was rainwater, caught in a 'rain barrel' properly placed to catch the rain as it ran off the roof of that little home. No doubt a kerosene lamp sat on the kitchen table.

Today, we experience only a bare sample of being without conveniences when we have a storm and are without power for a time.

More to come, Nola

October is National Cooperative Month

October is National Cooperative Month – a time for cooperatives in the United States to celebrate their accomplishments and contributions to our country and our communities.

Co-ops, like The Victory Electric Cooperative Association, Inc., are businesses that are directly accountable to their member-

owners – they are structured to guarantee that the business serves only the best interests of its members by being owned, operated and governed by the people who use their services or buy their goods.

In the United States, almost 900 electric co-ops serve around 37 million consumers, owning and maintaining utility infrastructure reaching over 75 percent of the country's landmass.

Victory Electric is owned by its members – not by outside investors – and operates on a non-profit basis. Any profits remaining after expenses are ultimately returned to individual members

based on electricity usage.

Victory Electric employs more than 80 co-op members, many of whom make significant investments of time and energy to groups and organizations in southwestern Kansas. Victory Electric is governed by a Board of Trustees – elected from within the membership – to set rates and policies and

to direct management.

Victory Electric makes significant invest-

ments each year to improve system reliability and supply affordable electric energy. Services such as load management, renewable energy and water heater/heat pump rebates have been created to better serve all Victory Electric members.

Although many changes are occurring in the electric utility industry, the member-owners of Victory Electric can always be sure of two things: Victory Electric has their best interest at heart and will do everything possible to improve the quality of life in southwestern Kansas.



NOTICE

Board to Consider New Interruptible Large Power Rate Schedule

The Board of Trustees of the Victory Electric Cooperative Assn., Inc., will meet on Tuesday, October 28, 2008, at 1 p.m. at the cooperative's headquarters, 3230 N. 14th Street, Dodge City, to discuss and vote upon a proposal to implement a new Interruptible Large Power rate schedule.

The existing interruptible rate schedules are applicable to commercial services with maximum loads greater than 250 kW. The new rate schedule will be similar to these existing rate schedules and will be applicable to loads less than 250 kW.

This meeting is open to the membership. If you are unable to attend and still have questions, you may call the Victory Electric office during business hours at 620-227-2139 or 800-279-7915.

Victory Electric Sends Line Crews for Hurricane Recovery

11 members of Victory Electric's line crew headed out September 5, for Louisiana to assist in recovery efforts from Hurricane Gustav. They joined 12 other Kansas cooperative crews and dozens more cooperatives from around the nation to restore power in some of the worst hit areas.

The Kansas crews are assisting Dixie Electric Membership Corp. (DEMCO), headquartered in Baton Rouge, La. This electric cooperative estimated they had thousands of electric poles damaged or destroyed by the hurricane.

"Hurricane Gustav was more devastating to Louisiana's electric co-ops than Katrina or Rita, primarily because DEMCO, our largest co-op at roughly 100,000 meters serving a seven-parish territory near the Greater Baton Rouge area, reported 100 percent outages with extensive damage to trees, homes and

businesses," said Billy Gibson, director of communications for Louisiana Electric Cooperatives.

Gibson said that they are expecting full restoration of their electric system in approximately six weeks.

"We called in about 800 co-op linemen and contractors to repair damage," Gibson stated. "We are constructing a 'tent city' to expedite the restoration process."

The crew stayed for a little more than two weeks before coming back to Kansas.

"Our crews are clearing fallen trees and other debris so that power lines could be restrung," said Marvin McCormick, rural operations manager for Victory Electric. "Their biggest challenge was working around all of the debris in unfamiliar territory.

"Many of the linemen were familiar with the conditions because of their experiences helping with the recovery effort following Hurricane Katrina in 2005," McCormick said.

mick said.

Electric cooperatives have always offered assistance to neighboring systems and to other states in times of crisis.

"The dedication of these linemen is tremendous," said Tom Lowry, urban operations manager for Victory Electric. "A lot of these linemen have come through two of the most devastating ice storms in Kansas cooperative history. Many of the linemen are still working on restoring and rebuilding their own power lines, but they are willing to travel and help with the monumental task of restoring entire power systems that were downed by Hurricane Gustav."

The crew from Victory Electric helping out in Louisiana were: Leroy Woods, Jason Rohr, Joe Daniels, Justin Straight, Eric Speer, David Gechter, Kevin Holck, Chris Konrade, Mikey Goddard, Kirk Konrade, and Phil Huffman.



Victory linemen helping with hurricane recovery are (left to right): Leroy Woods, Jason Rohr, Joel Daniels, Justin Straight, Eric Speer, David Gechter, Kevin Holck, Chris Konrade, Mikey Goddard, Kirk Konrade, and Phil Huffman.



Happy Halloween!

October 31, 2008



Remember the time change!
Sunday Nov. 2, 2008, 2 a.m.

Five Years After, Cont. from Pg. 16-A

On the 12th, USA Today proclaimed, "U.S. power grid in better shape five years after blackout" but seemed less confident a day later, headlining an Associated Press story with the question, "Five years after a giant blackout, are we better off?"

Meanwhile, the Kansas City Star, hundreds of miles beyond the western-most reach of the '03 episode, headed a rewrite of the same Associated Press (AP) story with the disquieting, "U.S. on verge of grand-scale blackout."

In Michigan, where six million went dark in 2003, two big investor-owned utilities have failed to meet reliability standards set by state regulators, the Free Press reported, noting that tree-maintenance problems similar to those that triggered the '03 blackout apparently were involved in June storm outages that left 720,000 customers powerless.

USA Today cited several authorities saying higher maintenance standards and better grid-monitoring make a repeat of the '03 episode unlikely

but identified insufficient generation and transmission capacity as looming threats.

The next day's AP story said the causes of the 2003 blackout are largely resolved, but "larger, systemic issues could soon lead to even bigger and more damaging outages."

Even in the face of projected 29 percent growth in electricity usage from 2006 to 2030, opposition to new power plants and transmission lines has intensified over climate issues and other environmental concerns, the story noted.

American Electric Power CEO Michael Morris was quoted saying bigger blackouts and electricity rationing could result.

"It would ruin the economy," Morris told the AP.

Victory Electric is working hard for you, the member, to find a solution to potential shortages and we will keep you updated.

'Til next time, TJ

Cold Weather Rule: Nov. 1 to March 31

Cooperative members who are unable to pay their electric service bills during the cold weather period may qualify for this program, provided they fulfill certain good faith requirements when attempting to pay.

The requirements members must meet to qualify for the program are summarized below.

- Members must notify the cooperative and state their inability to pay their service bill in full.
- Members must apply to federal, state, local or other financial assistance programs for which they may be eligible to receive aid in paying utility bills.
- Members and the cooperative

will reach a mutually agreeable payment arrangement.

Please note that failure to follow the above requirements, illegally diverting utility service, receiving service by tampering, or defaulting on a payment agreement, will disqualify the member from receiving the benefits under the Cold Weather Rule.

In no event will the cooperative disconnect a service if the temperature is forecast to fall below 35° Fahrenheit, or be in the mid 30s or colder within 24-hours following the time of disconnection.

The Cold Weather Rule is to ensure human health and safety are not unreasonably endangered during the cold weather months.

Non-Domestic Bills Mailed in November

The Victory Electric Cooperative Association, Inc., will be reading the meters in October for the fence chargers and small watering loads (among other small rural electric loads) which we classify as non-domestic services.

These bills are mailed once a year and consist of the usage for kilowatt-hours consumed in the last year from November 2007 to October 2008.

If you have any questions or problems with any of these billings, come by or call us at (800) 279-7915.