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Climate Change Legislation is Focus of Summer Meeting

More than 300 trustees, managers and spouses attended the KEC Summer Board Meeting in Overland Park on August 4, 2008, where a diverse lineup of speakers focused on a variety of topics relevant to the electric cooperative industry.

Among the top issues were climate change legislation.

Congresswoman Nancy Boyda, Kansas' Second District Representative, summarized the recent session of

Congress. She said that while energy was addressed, no major legislation was adopted. The public needs to inform members of Congress to address current and future energy challenges, she encouraged.

"Increasing the power supply is the No. 1 issue," she said. "Coal is necessary, but nuclear energy has to be used also."

Boyda also urged that bipartisan cooperation is necessary in Congress to move forward with oil exploration and building the nation's energy infrastructure.

Representative Tom Sloan, Lawrence, and Senator Janis Lee, Kensington, discussed their support for Sunflower's Holcomb Expansion Project in the recently-completed legislative session.

Lee predicted that the Holcomb project would eventually proceed through favorable court rulings.

"Base load generation is lacking; base load power from plants such as Holcomb is needed," she said. "If more natural gas is diverted for base load use, Kansans' heating bills will continue to escalate."

Sloan said the issue of coal-generated



Congresswoman Nancy Boyda spoke to the Kansas electric cooperative trustees and staff about climate change legislation.

power was his constituents' main concern.

"Coal is the biggest issue I hear about in my home district," he said.

However, despite the general opposition to coal powered generation in his district, Sloan said he felt the Holcomb project was needed.

Susan Pettit, NRECA, discussed the climate change legislation that was considered this session by Congress. Although no substantive decisions were reached, she said she

expects issues such as carbon capture, carbon tax, and cap and trade to be debated again next session.

Several other presentations were given at the meeting.

Steve Parr, executive vice-president and CEO of KEPCo, and Earl Watkins, president and CEO of Sunflower, reported on the activities of the Kansas generation and transmission cooperatives. Both commented that nuclear power could be a favorable option for future power generation, but the cost would be steep and the timetable to implement it would be lengthy.

Dr. David Barton, Professor and Director of the Arthur Capper Cooperative Center at Kansas State University, praised the electric cooperatives on the job they do in financial management and reporting. He discussed the various avenues cooperatives can follow in handling capital credits, as well as the principles of cooperative finance and cooperative structure.

Federated Rural Electric Insurance Exchange's Rose Middleton and Stan Bray

Continued on p. 4

In Brief

Home Energy Prices are Expected to Soar

In a season of roller-coaster energy costs, the drop in oil and natural gas prices in recent days was greeted as good news. But they remain so high that experts are predicting that heating bills this winter will far exceed those of last year.

Even after a precipitous decline from its peak in early July, the price of natural gas is still 11 percent above where it was last winter. Heating oil is 36 percent higher, with the government projecting that the costs of both fuels will stay high. Electric prices are also up moderately.

New York Times – 8/5/08

Westar Rate Hearing Dates Draw Criticism

State consumer advocates say a new schedule for public comments is short-circuiting people's chances to affect a proposed \$177 million rate increase for Westar Energy. The Kansas Corporation Commission has set public hearings on Westar's request for Sept. 2 in Salina, Sept. 3 in Topeka and Sept. 4 in Wichita. That's much earlier than in previous rate cases.

The hearing schedule was approved over the objection of the Citizens' Utility Ratepayer Board. CURB consumer counsel David Springe says the early hearings – weeks before expert testimony and arguments on what Westar should get – put customers at a disadvantage. If Westar's request is approved, it would increase electric rates 15 percent.

Wichita Eagle – 8/11/08

Black Hills Plans Power Plant

Black Hills Energy, the company that bought the Aquila electric utility in Colorado this year, announced that it will be building a 350-megawatt power plant.

Black Hills has been told by Xcel Energy – who supplies 75 percent of Black Hills' power – that its contract won't be renewed in 2012. Black Hills has filed papers with the Colorado PUC to build a natural gas-powered power plant somewhere in Colorado and have it operational by 2012.

Pueblo Chieftan – 8/6/08

Cooperative Calendar

August	22	KCRE Golf Tournament, Salina Municipal Golf Course.
	28	MDM Meeting, KEC Headquarters, Topeka.
September	5	Budget & Operations Committee, KEC Headquarters, Topeka, 10 a.m.
	8-9	Rural Development Utilities Programs CPA Seminar, Kansas City, MO.
	9-11	KEC Hot Line School, Pratt Vo-Tech.
	10	Leavenworth-Jefferson Annual Meeting – Dinner at 6 p.m., Meeting at 7 p.m., McLouth High School.
	11-12	Fall Managers Association Meeting, Capitol Plaza Hotel, Topeka.
	17-18	KEPCo Board of Trustees Meeting, KEPCo Headquarters, Topeka.
	18-19	Kansas Line Superintendents Meeting, Topeka.
	19	Sunflower Board of Directors Meeting, Sunflower Headquarters, Hays.
	23-25	KEC Hot Line School, Manhattan Vo-Tech.
October	24-25	KEC Board of Trustees Meeting, Marriott Hotel, Wichita.
	24-26	Kansas Member Services Directors Association (KMSDA) Meeting, Hotel at Old Town, Wichita.
	1-3	NRECA Region 7 Meeting, Hilton/Qwest Center, Omaha, Nebraska.
	6	ElectroRally, Kansas Speedway, Kansas City.
	15-16	KEPCo Board of Trustees Meeting, KEPCo Headquarters, Topeka.
	17	Sunflower Board of Directors Meeting, Sunflower Headquarters, Hays.
	22	KEC District 1 meeting, TBA.
	24	KEC District 2 meeting, KEPCo Headquarters, Topeka.
	28	KEC District 3 meeting, Fox Pavilion, 1202 Main St., Hays.
	29	KEC District 4 meeting, Dodge City.

Cooperative Volunteers Prepare for Kansas State Fair

Teaching the public to stay safe around power lines is the focus of the electric cooperatives' message at this year's Kansas State Fair. Cooperative linemen from Lane-Scott, Midwest Energy, Sedgwick County, Victory, and Wheatland have volunteered to help spread this message.

Kansas electric cooperatives and the Touchstone Energy Cooperatives of Kansas are again co-sponsoring a high-voltage line safety demo at this year's Kansas State Fair, Sept. 8 – 12, 2008.

This sponsorship incorporates the full-size, electric safety

demonstration – on loan from Midwest Energy – with the fair's "Kansas' Largest Classroom". In addition, the Touchstone Energy "Get Charged" kits will be distributed.

KEC has a limited supply of free fair passes that will be given out on a first-come, first-served basis.

For free fair passes, call Shana Holsteen, KEC, at (785) 478-4554, or sholsteen@kec.org.



Job Opportunities

South Dakota Cooperative Seeks Radio & SCADA Technician

East River Electric Power Cooperative is accepting applications for a Radio and SCADA Technician.

Applicants must possess a vocational-technical school degree in telecommunications or electronics / computer software applications, and must possess or obtain a general class FCC License or equivalent certification, a valid South

Dakota driver's license and a DOT medical certificate.

For a complete position description or to request an application, contact: East River Electric Power Cooperative, Inc., PO Box 227, Madison, SD 57042. Call (605) 256-4536, email hr@eastriver.coop, or download at www.eastriver.coop. Deadline is Sept. 30. EOE.

KCL Earns Good Marks on Readership Survey

The electric cooperative message is being received loud and clear across rural Kansas, according to the results of a readership study conducted last month for *Kansas Country Living* magazine.

Inside Information, a Kansas City, MO-based public relations firm, coordinated the survey. It contacted approximately 300 of the magazine's subscribers by telephone, randomly chosen from the 22 subscribing cooperatives.

The survey revealed that 97 percent of those members who receive the magazine read at least some of it. This readership figure is an increase of eight percentage points compared with the last survey conducted in 2003.

Furthermore, the current survey revealed that 83 percent of the readership was somewhat or very satisfied with the magazine's content. Those who were satisfied cited the magazine's content as a primary attribute of satisfaction. Other attributes cited included interesting photos, usefulness of articles, and articles on energy efficiency and the environment.

Among other survey findings were:

- After reading the magazine, most members say they have a more favorable

attitude about their electric cooperative.

- Most readers are aware the magazine has a local cooperative news section and they give it high ratings for content and appearance.

- Most members prefer their co-op communicate with them using the magazine, rather than letters or other media.

Concerning the magazine's center-spreads, 87 percent of the readers had a favorable opinion about information on local communities and events. Readers also registered favorable opinions on information about local co-op products and services; articles on local co-op activities; and on the attractiveness of the center-spread's design and appearance.

"This survey reinforces many of the things we already believed," said Larry Freeze, KEC's editor of *Kansas Country Living*. "Not only is the magazine well-read, but it reflects positively on the local electric cooperative. And, it's a bargain, considering the magazine and center-spreads are created, produced and mailed for about 62 cents a month."

Kansas Country Living is mailed to more than 102,000 electric cooperative members across Kansas.

In Sympathy

Connie Holsteen

Connie Marie (LaVelle) Holsteen, wife of Twin Valley manager Ron Holsteen and mother of KEC's Shana Holsteen, died Aug. 12 from complications stemming from cervical cancer treatments.

Funeral services were held in Parsons, Kansas, on Aug. 15 and in Seward, Nebraska, on Aug. 16.

Her family has established the Connie M. Holsteen "Kindred Spirits" Scholarship Fund. Memorials may be sent to Zabka Funeral Home 410 Jackson Ave., Seward, NE 68434, or to Ron Holsteen, 3605 Dirr Ave., Parsons, KS 67357.



Jacob Wagner Represents Kansas on NRECA Youth Leadership Council

Jacob Wagner, sponsored by DS&O, has been selected to represent Kansas on the NRECA Youth Leadership Council (YLC).

Wagner attended the YLC Conference last month in Washington, D.C. The conference agenda included leadership and team building exercises, meeting with Capitol Hill staff members who are "alumni" of NRECA's Youth Tour, and a speech competition to select the NRECA's National Youth Spokesperson.

While in Washington, the YLC members gained a broader understanding of cooperatives through their discussions with NRECA's Glenn English, CFC's Sheldon Peterson, and NRTC's Bob Phillips.



Students representing 44 states were selected during this summer's youth tour to serve on the Youth Leadership Council. These students will attend the 2009 NRECA Annual Meeting in New Orleans.

Wagner's electric co-op experience began in June when he attended the Government in Action Youth Tour in Washington, D.C. with nearly 1,500 high school students. During the trip, Wagner was selected to represent Kansas on the YLC and attend the Leadership Conference.

"The entire Youth Tour trip was a very rewarding experience," Wagner said. "I saw artifacts that shaped our country's history, walked where our presidents walked, saw many of our country's most cherished memorials, and made some very close

friends. I was honored to represent DS&O and greatly appreciated the opportunity to attend."

Kansas Electric Cooperatives Summer Board Meeting, *continued*

reported on the activities of the insurance provider. Middleton explained that a “culture of safety” can be developed on the cooperative level by realizing that accidents are preventable and that past mistakes can be a teaching tool for the future.

Bray added that employee accountability can help prevent accidents. He said the company is looking forward to celebrating its 50th anniversary in 2009.

Maurice Martin, Cooperative Research Network (CRN), outlined the advancements taking place in meter reading technology. Advanced Metering Infrastructure helps electric cooperatives save money, while improving metering efficiency and reliability.

Perry Rubart, Kansas NRECA Director, reported on the state of NRECA. He said the organization currently has \$2 million in financial margins. He also noted that 664 cooperatives nationally are Touchstone Energy members.

Rubart said that NRECA has combined several regional meetings in an effort to cut costs. Regions 7 and 9 are the only regions not holding a combined meeting, but while no plans for holding



The luncheon featured ventriloquist Greg Claasen (right), a member of Butler REC, whose comedic act incorporated Midwest Energy trustee and KEC secretary John Blackwell.

a combined meeting are in the offing, such a move will continue to be explored. Rubart also announced that he would serve one more year as Kansas NRECA Director – his 10th – before retiring from the post.

Rod Gerdes, Manager of Brown-Atchison, filled in for Harold Foley, CFC Region VII Director, and reported on the company’s activities. He presented KEC with an educational grant check for \$16,400.

Kansas Country Living editor Larry Freeze reviewed the purpose and components of the Our Energy Our Future national campaign administered by NRECA. The primary goal is for electric

cooperative members to contact their national representatives and emphasize the importance of meeting climate change goals while keeping costs down and electricity available.

KEC’s Bob Jennings unveiled KEC’s new Web site. The new site offers many new features, including public and member pages, as well as expanded services and content. A major addition, he said, is a “storm center,” which allows the public and members of the media to access updates on outages from across the state.

Before the meeting adjourned, the KEC Trustees elected Joe Conley, Kaw Valley, as NRECA Voting Delegate and Linda Tomlinson, CMS, CFC Voting Delegate, for the NRECA and CFC meetings, October 1-3, in Omaha, NE.

Prior to the meeting, members, trustees and employees attended two board leadership courses presented by NRECA, titled “Ethics and Governance: Implementing the New Accountability” and “The Role of Renewables in Power Supply.” The Certified Cooperative Directors (CCD) course “Director Duties & Liabilities” was also offered.

RuralPower

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Electronic Edition

Rural Power is published every three weeks on Fridays. This electronic version is provided to you as a service of KEC. If you would like to receive personal e-mail notice of this publication in electronic format or discontinue such notice, please e-mail sholsteen@kec.org.