



A Touchstone Energy® Cooperative

West Central Electric News



West Central Electric Cooperative, Inc. ~ Serving our members' needs since 1939

Thank you to our members!

We want to say a big "THANK YOU" to our members who responded to the Cooperative Action Network's EPA campaign and joined us in the fight to keep electric rates affordable.

As of this newsletter deadline, Missouri's cooperatives led the nation with 58,000 emails sent to the EPA, or 42% of all emails sent nationwide. WCE members sent in nearly 3,500 names, with cards still being received daily.

Our fight isn't over, though. Please keep those cards coming in so we can get you signed up, or sign up yourself at www.action.coop.

Help us get the message to the EPA that we want an "All-of-the-Above" approach to providing energy.

Beware of set of recent scams

Recently a number of utility customers (none in the WCE area at the time of the newsletter deadline, but we want you to be aware) have been targeted by scammers claiming to be a collections agent. The caller impersonates the utility company claiming the bill is overdue and needs to be paid immediately or face disconnection.

If you receive a call of which you are suspicious, hang up and call WCE yourself to inquire about the situation.

There have also been reports about a nationwide email scam targeting utility customers, including electric cooperative members. The scammer sends a fraudulent billing message telling people their bill is ready and provides a hyperlink to view it. The link takes people to a site that infects their device with malware which could go after banking information or attempt to steal usernames and passwords.

With the launch of WCE's new Smart Hub, members who have provided us with an email address for contact purposes will receive a notification that their bill is available, however, it will no longer include a link to click and pay the bill. It will instead direct members to log into the website themselves to pay.

Straight talk on the EPA issue

Get the full story here with answers to the most frequently-asked questions...

Q: What exactly is the EPA doing?

A: EPA is using the Clean Air Act to reduce greenhouse gas emissions from coal-fired power plants through new regulations utilities will have to meet. The regulations are so stringent they will effectively end the use of coal for electricity generation.

Q: What is wrong with using the Clean Air Act for these regulations?

A: The Clean Air Act was never intended to address carbon dioxide emissions. According to U.S. Rep. John Dingall, key author of the Clean Air Act, "Using the Clean Air Act to limit carbon emission will result in a glorious mess." In addition, the administration is bypassing Congress, which has to answer to voters, to enact regulations through an agency that does not answer to voters.

Q: What do the regulations for new coal plants require?

A: These regulations will make it economically impossible to build new plants to meet future generation needs. All new plants will be required to utilize a "sequestration" technology to capture and store carbon dioxide underground to meet the new stringent emission limits. According to a 2012 Congressional Budget Office report, engineers have estimated this technology would increase the cost of producing electricity from new coal-based power plants by 75 percent. The problem is that this technology is not commercially available, forcing us to pursue higher-cost generation options for our future demand needs. This would translate into higher electric bills for you.

Q: What is the concern for existing coal plants?

A: EPA will propose new regulations for existing coal plants in June 2014 and will implement these regulations by June 2015. Stricter emission regulations translate into higher costs, regardless of the extent of the regulations. Coal accounts for approximately 75 percent of our electric co-op electricity generation. (It is 80 percent statewide for all utilities.) Numerous problems will arise if regulations go into effect:

- Higher electric rates
- Job loss
- Economic downturn
- Businesses shutting down
- Stranded Investment

Q: What have you done to clean up the air?

A: Missouri's electric co-ops have already spent \$1.1 billion to remove up to 90 percent of emissions from coal plants. Electric co-ops have invested millions of dollars into energy-efficiency programs so that our power plants will run less and future demand for additional power will be reduced. Based on five years of investment, projected lifetime electricity savings of those efficiency measures will be enough to power 65,000 homes for one year.

Q: Why don't you switch to renewable resources?

A: Electric co-ops in Missouri already purchase electricity generated with renewable energy sources. In the month of September 2013, 17 percent of the power generated was from renewable sources (including wind and hydro). Co-ops helped pioneer wind power in Missouri by agreeing to buy the entire output of four wind farms in northwest Missouri and a fifth in Kansas. We currently have 600 megawatts of wind capacity from the five wind farms, and we expect to begin receiving power from a sixth wind farm located in Oklahoma in the fall of 2014, bringing the total to 750 megawatts. Much as we love these renewable resources, the reliability of the electric grid requires large baseload plants that burn coal or natural gas. This is because renewable resources are intermittent in nature — wind farms only generate when the wind blows; hydropower stops flowing when water levels drop. Baseload power plants must be ready to come online as renewable resources drop off.

Q: Aren't there other ways to generate electricity besides coal?

A: Yes, and we use them. The next best thing to coal is natural gas. We have three major combined cycle natural gas power plants, along with several smaller gas plants used for periods of high demand. Coal is the most affordable and abundant generation source we have, with more than 200 years in domestic coal reserves. Coal prices have remained affordable and stable; meanwhile the natural gas market has been very volatile and prices have varied drastically from a low of \$1.89 per million BTU to a high of \$10.79 per million BTU. In addition, many Americans rely on natural gas to heat their homes. If the electric utility industry were to switch from coal to natural gas, prices would likely increase, further hurting consumers.

Q: Will the EPA regulations lower carbon dioxide emissions?

A: That is doubtful. If we don't burn coal for electricity, it will go to China, where there is less regulation. It takes only a few days for carbon dioxide emissions to reach the beaches of the western United States from China. In addition, any reductions in carbon dioxide emissions from power plants can be nullified by natural events, such as volcano eruptions and forest fires.

Q: Why are the electric cooperatives so concerned about this issue?

A: Missouri's electric cooperatives serve many of the most economically disadvantaged people in the United States, including a high percentage of unemployed, underemployed and fixed-income Americans. We also serve many farms and small businesses that cannot afford drastic increases in electric bills. Electric cooperatives by their very nature have a deep concern for their communities. Our employees live where we serve. We know our members and when they suffer, we suffer with them. For this reason, we can not sit still and accept regulations that threaten to dramatically increase electric bills.

Q: What can I do to help?

A: You can visit www.action.coop where you can quickly and easily send a message to EPA saying "work with electric cooperatives on a common-sense solution that balances energy needs and environmental concerns." If you don't have Internet access, call us or stop by the office and we will help you send a message. Together, we can make a difference!

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Board of Directors:
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Clark Bredehoeft, Vice-Pres.
Paul Nolte, Treasurer
Robert Simmons, Secretary
Stan Rhodes, Asst. Sect.
Dale Jarman, Director
Max Swisegood, Director
Richard Strobel, Director
Sandra Streit, Director



From the Manager...

Trimming future problems before they happen

Spring brings some annual traditions for my family. Flowers begin showing up in pots around the house, and we will probably take at least one drive around the area enjoying the spring weather and the budding trees and wildflowers that signal spring is finally here. I especially love it when the dogwoods and redbuds bloom. Sometimes on these drives, we'll spot some of our contractors working by the road, trimming tree branches growing too close to power lines.

I enjoy the beauty trees add to our

region, especially at this time of year, but I also enjoy the comfort of knowing power will be available when I need it. At your electric cooperative, we're committed to providing you with reliable power. There are some things we can't stop -- high winds, ice storms, forest fires -- but we do what we can to prevent other outage culprits.

As you can probably guess, weather-related events cause the majority of power outages for your electric cooperative — a whopping 19 percent according to a survey by the National Rural Electric Cooperative Association. But vegetation — trees, shrubs, brush — growing too close to power lines and distribution equipment leads to 15 per-

cent of power interruptions.

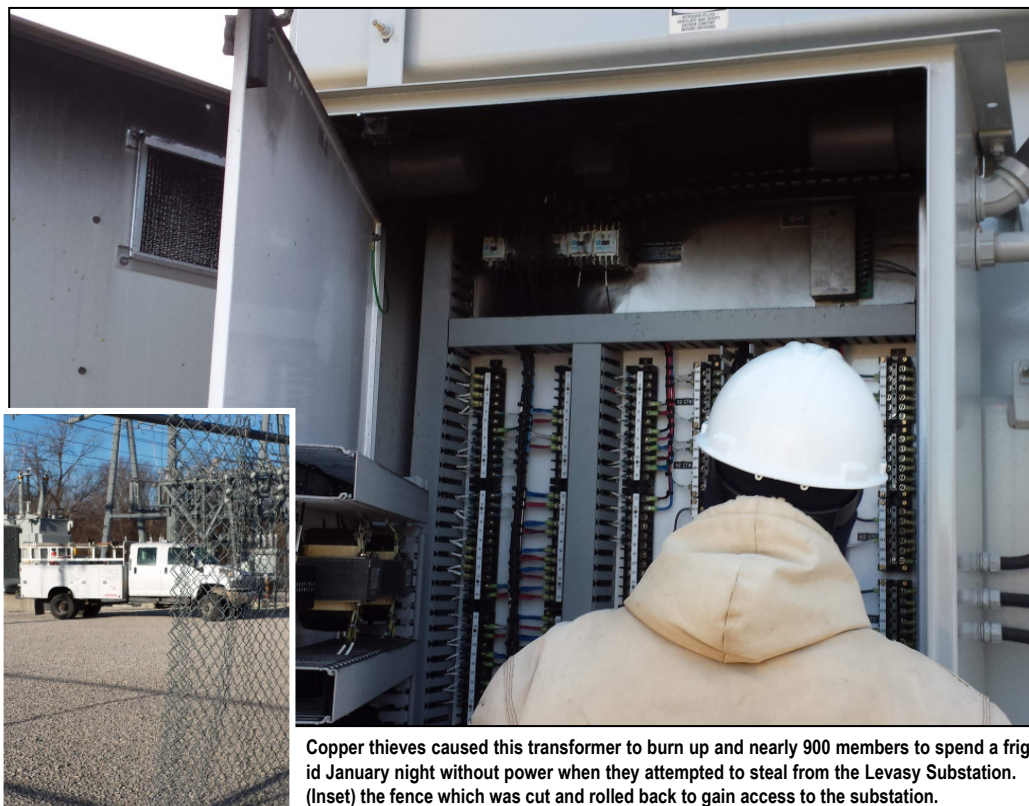
To "cut back" on potential tree-related problems, your cooperative operates an aggressive right-of-way maintenance program. Our crews look for foliage growing under lines, overhanging branches, leaning or other types of "danger" trees that could pull down a power line if they fall, and trees that could grow into lines. It's a job that's never done — by the time crews finish trimming activities along our many miles of distribution lines, vegetation has started to grow back at the starting point.

We need your help to keep a safe, reliable, and affordable supply of power flowing to your home or business. Let us know if you notice trees or branches

that might pose a risk to our power lines.

Even more important, before planting trees in your yard, think about how tall they may grow and how wide their branches may spread. As a rule of thumb, 25 feet of ground-to-sky clearance should be available on each side of our utility poles to give power lines plenty of space. Choose tree varieties with care and plant with power lines in mind.

Thanks for your help as we work together to keep electricity reliable. To report trees you think may pose a problem, call 800-491-3803. To find out more about proper tree planting, visit www.arborday.org.



Copper thieves caused this transformer to burn up and nearly 900 members to spend a frigid January night without power when they attempted to steal from the Levasy Substation. (Inset) the fence which was cut and rolled back to gain access to the substation.

Copper thieves cause thousands of dollars in damage at Levasy

An attempted copper theft in late January at the Levasy Substation burned up a transformer, resulted in an estimated \$10,000 in damages and a loss of power to nearly 900 members.

Copper theft is a costly issue for cooperative members, not to mention a huge safety hazard.

"For what translates into a very minimal amount of money, someone has risked their life," WCE General Manager Mike Gray said. "These people don't realize just how close they came to death."

Not only will equipment have to be replaced, but so will the vandalism that occurred at the substation when, for example, the fence was cut to gain access.

If you witness suspicious activity around a substation or electrical equipment, contact the copper theft hotline at 1-855-COPPER9 (855-267-7379).

Planting trees or putting up a fence this spring?

Make sure to call 1-800-DIG-RITE before you dig.



Buying a new water heater?

Here's what to look for...

Given that the cost of heating water is the third highest home energy cost, it pays to do your homework if you're going to buy a new electric water heater. Even if you pay more up front for an efficient heater, you'll pay less to operate it.

Select a type — The most common heater is a storage electric-resistance heater that heats and stores 20 to 80 gallons of water in an insulated tank. The water is constantly maintained at the thermostat's setting — ideally 120 degrees — so energy can be wasted even when a hot water tap isn't running. This is called standby heat loss. Some storage water heaters have heavily insulated tanks, which can significantly reduce standby losses, according to the U.S. Department of Energy at www.energysavers.gov. Look for tanks with

thermal resistance of R-12 to R-25.

Indirect water heaters are more efficient for most homes even though they require a storage tank. This type of heater uses the main furnace or boiler to heat a fluid that's circulated through a heat exchanger in the storage tank. The energy stored by the tank allows

the furnace to turn off and on less often, which saves energy. An indirect water heater used with a high-efficiency boiler and well-insulated tank can be the least expensive means of heating water, according to DOE.

Finally, solar models, which preheat

water before it reaches a conventional water heater, are costly on the front end but may qualify for a 30 percent federal tax credit.

Size it right — If you're going with a tank model, select a tank size based on typical usage, not the rare weekend with 10 guests. Use the worksheet at

WCE currently offers a \$50 rebate to members replacing an electric water heater with a new, more efficient unit. Check our website at www.westcentralelectric.coop for current rebate program details and rebate forms.

www.energysavers.gov under "storage water heaters" for estimating your peak need. Then match that to the First Hour Rating (FHR) on the EnergyGuide label on a heater, which tells you how much hot water it will deliver in an hour.

Look at efficiency rating — Select

Five tips to use less hot water

These tips will help you use a lot less of that expensive hot water. You can read more tips on saving hot water in a Water Heating PDF at the Iowa Energy Center website at www.iowaenergycenter.org/learning-institute/homeowners/.

- **Close the drain in the tub** before you turn on the water to fill it
- **Take a short shower** — you'll use about 10 gallons of water instead of up to 25 for a bath
- **Wash your hands with cool water** — don't use hot water when you don't need it
- **Rinse dishes in unused half of a divided sink** — you'll use a lot less water than rinsing them under running water
- **Wash clothes in cold** — most fabrics will get clean if you use the proper cold-water laundry detergent

Cut your water-heating costs

Here are some ways to save on one of your home's biggest energy users

Did you know that water heating uses more energy in a year than air conditioning? Water heating is the third largest user of energy in a typical home, according to the U.S. Department of Energy. You can reduce this use in two ways: cut water use and become more efficient. Here are some actions you can take:

CUT WATER USE

- **Take shorter showers** — A family of four each showering five minutes a day can use about 700 gallons a week, which is a three-year drinking water supply for one person.
- **Install low-flow fixtures, showerheads and faucets** — Use water-conserving showerheads and faucet aerators to cut hot water use by 25 to 60 percent. A family of four can save 14,000 gallons of water a year and the energy needed to heat it.
- **Fix leaks** — A leak of one drip per second can cost \$1 a month. Repair leaks in faucets, showerheads and pipes, but if your tank leaks, you need a new water heater.
- **Select a water heater with as small a tank as possible to meet your family's needs** — Look at the EnergyGuide label for the First Hour Rating in gallons. That's the amount of hot water in gallons the heater will supply per hour (starting with a tank full of hot water). Then estimate how much hot water your family uses in a peak period, such as early morning. DOE has a handy worksheet for estimating your peak hot water demand. Go to www.energysavers.gov, and search for "storage water heaters."
- **Buy efficient dishwashers and clothes washers** — You consume less energy with an energy-efficient dishwasher properly used than washing dishes by hand. Check the EnergyGuide label to see how much energy a unit uses. Be aware that compact-capacity dishwashers may actually use more energy because they must be used more frequently. Look for dish-

washers with booster heaters that efficiently boost water temperatures to 140 degrees. Inefficient clothes washers can cost three times as much to operate as energy-efficient ones. Look for washers that allow you to adjust water temperature and levels, spin dry and load from the front.

- **Use washers wisely** — Wash full loads. Use the dishwasher's air dry instead of heat dry cycle. Set clothes washer cycles for the lowest temperature and water amount that will get clothes clean. Rinse using the cold water setting; a hot wash/warm rinse laundry uses 30 gallons of heated water compared to only 19 for a hot wash/cold rinse or 12 for a warm wash/cold rinse.

- **Wash your hands with cool water** — Instead of running the tap for hot water, wash with cold right out of the tap.

You can find more hot-water saving tips in the



Iowa Energy Center's Water Heating PDF at www.iowaenergycenter.org/wp-content/uploads/2012/03/HomeSeries3.pdf.

IMPROVE EFFICIENCY

- **Insulate existing water heater and pipes** — If your electric water heater was installed before 2004, adding an insulating jacket is one of the most effective do-it-yourself energy-saving projects, especially if your heater is in an unheated space. The jacket will reduce standby heat loss by 25 to 40 percent, saving up to 9 percent on your water heating bills. DOE recommends heavily insulated tanks with R-12 to R-25 values. Follow directions carefully when installing an insulation jacket. Consult your manufacturer's manual — a blanket may void your warranty.

• **Insulating hot water pipes** reduces heat loss and can deliver a water temperature that is 2 to 4 degrees hotter than uninsulated pipes. DOE recommends insulating all accessible hot water pipes, especially within 3 feet of the water heater. Also insulate cold water inlet pipes for the first 3 feet. Pipe sleeves made with polyethylene or neoprene foam are the most commonly used insulation.

- **Place heater in a heated and cooled space** — Your heater will have to work less to maintain temperatures in a conditioned space.

- **Lower the water heater temperature** — Keep your heater thermostat at about 120 degrees. Each 10-degree reduction in water temperature will generally save 3 to 5 percent on your water heating costs. When on vacation, turn the thermostat down to the lowest possible setting or turn the heater off completely.

Hot water use at home

Activity	Gallons per use
Clothes washing	32
Showering	20
Bathing	20
Automatic dishwashing	12
Preparing food	5
Hand dishwashing	4

Source: American Council for an Energy-Efficient Economy

From the Boardroom...

Regular meeting of the Board of Directors held December 30, 2013

The meeting was called to order by President Denis Allen. Robert Simmons, Secretary of the Cooperative, caused the minutes of the meeting to be kept. The following Directors were present: Max Swisegood, Clark Bredehoeft, Paul Nolte, Dale Jarman, Richard Strobel, Denis Allen, Robert Simmons and Stan Rhodes. Also present were General Manager Mike Gray, Admin. Asst./Benefits Admin Kim Lewis, and cooperative attorney Matt Krohn. Director Sandra Streit was absent.

APPROVAL OF AGENDA

After discussion, the agenda was approved with the addition of choosing an NRTC delegate and alternate.

APPROVAL OF MINUTES

The unapproved minutes of the regular meeting of the board of directors held Nov. 21, 2013, were approved.

REVIEW OF EXPENDITURES FOR AUGUST

An itemized list of expenditures for October was presented to the board, and the payment of the bills was ratified.

APPROVAL OF REPORTS

The following November 2013 reports were approved: Operating Report (RUS Form 7) and Comparative Operating Statement including the Financial Statistical Report with month and budget comparisons and statistical data pertaining to operating revenue, expenses, margins, assets, liabilities, and KWH sales; Treasurer's Report and the written monthly Construction, Retirement, Maintenance and Operations Report. Gray reported that West Central Services, L.L.C. shows approximately \$40,000 profit for the year. He noted year-end Form 7 should show the cooperative is in good financial shape. Gray also reported on ice storm outages and outages caused by the attempted copper theft at the Levasy Substation.

SAFETY REPORT

Gray reported no lost time accidents during the month. Employees have now worked 1,294 days without a lost-time accident. He reported on insurance notes and a MECIP refund.

MEMBERSHIPS

The applications submitted for membership in the cooperative were accepted and approved. Directors reviewed a list of requests for termination of membership in the cooperative which, along with their requests that their billings be deducted from their deposits and the remainder, if any, be refunded to them, were accepted and approved.

AMEC REPORT

Gray and Director Bredehoeft reported on their attendance at a Dec. 4 meeting. They relayed information from AMEC regarding solar power and its affect on the electric cooperative system.

N.W. ELECTRIC POWER COOPERATIVE, INC. REPORT

Gray and Director Nolte reported their attendance at the December board meeting and shared highlights of the meeting, including a rate increase passed by NW for next year.

NRECA, CFC AND NRTC VOTING DELEGATE

The board elected Swisegood as the voting delegate and Bredehoeft as the alternate for the 2014 NRECA annual meeting and CFC meeting, as well as the 2014 NRTC annual meeting.

AMECPAC CORPORATE DONATION

Directors approved a \$500 donation to AMECPAC.

SAFETY CONSULTANT

Directors decided to allow requests for proposals for a safety consultant.

MANAGER'S REPORT

Manager Mike Gray provided his Manager's Report for the month. He reported on the following: 1) action. coop update; 2) letter from an environmental proponent; 3) the new phone system at the cooperative and the new phone numbers; 4 RUS loan approval and that the cooperative can draw down funds; 5) employee awards banquet; 6) office improvements and carpeting; 7) retreat agenda and the board meeting scheduled for Friday, Jan. 24.

UNFINISHED BUSINESS

Disconnect policies and practices were discussed.

NEW BUSINESS

Bredehoeft reported on a new AMEC dress policy, after which the directors voted upon a dress code of business casual or better.

EXECUTIVE SESSION

Directors adjourned into executive session, followed by reconvening to the regular meeting.

MEETING ADJOURNED

FINANCIAL REPORT • *Statement of Operations* • December 2013

	This month	YTD 2013	YTD 2012
Revenue	2,729,035	26,102,407	23,905,871
Power Bill Expense	1,582,912	15,602,805	15,216,133
Operation & Maint. Expense	423,219	5,751,314	5,543,244
Depreciation Expense	149,952	1,779,347	1,735,197
Interest Expense	117,830	1,369,687	1,351,277
Total cost of Srvcs. (Total Expense)	2,273,913	24,503,153	23,845,851
Operating Margins (Revenue less Expenses)	455,122	1,599,254	60,020
Other Margins	916,291	1,106,575	794,433
TOTAL MARGINS	1,371,413	2,705,829	854,453

Potential for outside dangers increases as the weather warms

Warmer weather means heading outside to clean up after winter and enjoy the spring temperatures. With warmer weather, however, the potential for outside dangers increases. Remember to look up and be alert for power lines and other electrical hazards before getting involved in work or play.

"Here at West Central Electric, using proper procedures and safety measures is a matter of life and death," said General Manager Mike Gray. "We take safety seriously at home, too. Accidents happen, but if we educate ourselves and our children, we can keep them to a minimum."

KEEPING KIDS SAFE OUTDOORS

- Never fly a kite on a rainy day or anywhere but an open space. A high point in the sky makes a kite a grounding point for lightning, and kites could easily become tangled in power lines.

- Don't climb trees that are near power lines and poles—evergreens can disguise dangers this time of year.

- Stay far away from power lines lying on the ground. You can't tell if electricity is still flowing through them. If there's water nearby, don't go in it. Water is the best conductor of electricity.

- Obey signs that say "danger" and "keep out" around large electrical equipment, like substations. These signs aren't warnings; they're commands to keep you safe.

- Never climb a power pole.

REMINDERS FOR ADULTS

- If power lines run through your trees, contact West Central's Right-of-Way Coordinator Steve Long at 800-491-3803. Professional tree trimmers with proper protective equipment can trim branches safely.

- Remember that power lines and other utilities run underground, too. Call 811 to have utility lines marked before you start digging.

- Starting that winter cleanup yard work? Sweep dried leaves and debris from outdoor receptacles.

- If they're not already, consider upgrading your outdoor receptacles—or any outlets that could come in contact with water—to ground fault circuit interrupters (GFCIs). GFCIs immediately interrupt power flow when a plugged-in device comes in contact with water. Regardless, keep your outlets and cords dry and covered outside.

- Use only weather-resistant, heavy-duty extension cords marked for outdoor use.

- Don't leave outdoor power tools unattended for curious children or animals to find.

For more safety tips and information, visit SafeElectricity.org.

Sources: *Electrical Safety Foundation International, Safe Electricity*

Net Metering & Interconnection Act

West Central Electric Cooperative has a net metering agreement for interconnection of a distributed generation source.

Our policy, agreement and application now reflect the new standards set by the Net Metering and Easy Connection Act as of January 1, 2008.

For more information, contact our Higginsville office at 800-491-3803 or 660-584-2131.