



A Touchstone Energy® Cooperative

West Central Electric News

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

Board president Bredehoeft says co-ops are building a better world

WCE Board President Clark Bredehoeft knows what it feels like to want to make the world a better place. After all, he has three children whose futures depend on the decisions he and his wife make. He is also part of another decision-making



Bredehoeft

entity, the effects of whose decisions will make a difference in the lives of many.

"In the world we live in today, it seems like our thoughts are always on trying to make it a better place for our children, our grandchildren and all of the generations who will follow us. Your electric cooperative is no different," Bredehoeft told WCE members during his annual address at the Aug. 3 annual meeting. "Not only is it the goal of your board of directors to make the cooperative the very best it can be for every one of our members, it is also our desire to build a better world around us," said Bredehoeft, drawing reference to the 2012 International Year of Cooperatives' theme.

Bredehoeft told members that the cooperative is building a better world in many ways such as providing scholarships for area students, and sending our communities' future leaders to our nation's and state's

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MAKING NEW FRIENDS...
Josephine VanNoy, 7, of Warresburg, finds a new friend at the WCE annual meeting Friday, Aug. 3. Buddy Bear, the Rural Missouri magazine kids' mascot, was on hand to welcome young co-op members to the meeting.

Co-op members turn out in record numbers for 73rd annual meeting

Record numbers of members turned out for West Central Electric's 73rd annual meeting, with an official registration of 1,023 members and more than 2,500 in attendance.

During the business meeting, members considered and passed 554-398 a bylaw amendment brought forth by member petition which redraws the cooperative district boundaries (see map on page 3).

Under the bylaw change, the cooperative will be divided into four physical districts, with two directors from each district. A fifth "at-large" district, will allow for one director from anywhere in the service area.

Members also participated in the election of directors. Incumbents Paul Nolte, Clark Bredehoeft and Dale Jarman were elected to serve three-year terms. (See related story on page 2.)

Manager's Report

In his annual report to the members, General Manager Mike Gray updated members on operations and maintenance

as well as the financial state of the cooperative.

Under Operations, he reported that only 97 new services were added to the system in 2011, down from 115 in 2010. To date, the cooperative has added 50 new services in 2012.

"This puts us in line with the last few years," he said. "These numbers tell us that the economy, or at least the housing market, is still sluggish."

Gray told members that maintenance and system upgrades have been the top priority of construction crews over the past year.

"Changing poles and replacing conductors is an ongoing process, as is our right-of-way spraying and clearing. Together, these programs are what keeps the quality of service at levels you expect from us; keeping outage times down and blinks...at a minimum."

Gray said a new Construction Work Plan, as well as long-range plans to outline system improvements will begin in

the coming months.

Finances

On the financial side, Gray told members that while revenues were less than expected, expenses were also down.

"Financially, we finished 2011 in good shape with margins a little over \$1 million," he said. "In April of this year, we did have a rate increase to cover an increase in our wholesale power costs, but with the mild temperatures through the winter and spring, I'm not sure you really noticed it."

Gray said at this time, he doesn't feel that a rate increase will be necessary in 2013 as long as the weather cooperates and the EPA does not do anything that would cause wholesale power costs to go up.

"Your board and management are always looking at ways to be more efficient and keep expenses as low as possible to provide you the best service at the lowest cost," he said.

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Board of Directors:
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Ron Steelman, Vice-Pres.
Paul Nolte, Treasurer
Robert Simmons, Secretary
Stan Rhodes, Asst. Sect.
Dale Jarman, Director
Max Swisegood, Director
Densil Allen, Director
Richard Strobel, Director

Bredehoeft says co-ops are building a better world

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capitals through programs such as the Rural Electric Youth Tour and the Cooperative Youth Conference and Leadership Experience.

"To all of us, building a better world means investing in the future of our youth and the opportunities they have," he said.

Bredehoeft told members that the board returned almost one million in capital credits to members in 2011. He also reminded members that their board is dedicated to keeping members' rates as low and as competitive with investor-owned utilities as possible.

"While some of our competitors

recently have applied for as much as a 14 percent increase in rates, we at West Central, after a 7 percent rate increase in April, hope to remain stable," he said.

Bredehoeft told members that a recent survey shows WCE rates as the second lowest in the NW Electric group, and

slightly lower than the closest competitor, KCPL.

"We also rank in the lower half of the 40 electric cooperatives in the state

in certain areas of the cooperative were not fairly represented.

"I believe that with our rates as low and competitive as they are, and our quality of service, I say you have been well-represented," he said.

Bredehoeft said he believes it is more important to have good, quality, experienced board members who represent all members of the cooperative with irrelevance to where they live.

"If an area is in need of an upgrade, we do it, so that those members can receive the same quality of service the rest of the system enjoys," he said. "We treat everyone as fairly as we can; that's the cooperative way."

of Missouri," he said.

Bredehoeft also addressed a member petition to change cooperative district boundaries which claimed that members

"While some of our competitors recently have applied for as much as a 14 percent increase in rates, we at West Central, after a 7 percent rate increase in April, hope to remain stable."

--Clark Bredehoeft, WCE Board President
on the cooperative's recent rate increase

Incumbents retain seats in 73rd election of directors

West Central Electric members re-elected District 2 incumbents Paul Nolte and Clark Bredehoeft and District 3 incumbent Dale Jarman during the Aug. 3 annual meeting at the University of Central Missouri in Warrensburg.

Three candidates were nominated for two positions in District 2, and two candidates were nominated for one

position in District 3. In District 2, Nolte (590 votes) and Bredehoeft (569 votes) defeated challenger Jim Martin (376 votes). In District 3, Jarman (623 votes) defeated challenger John Staples (310 votes).

Officers were set to be voted upon during the regular August 23 board meeting in Higginsville.



Directors elected for a three-year term include (l-r) Paul Nolte, Clark Bredehoeft and Dale Jarman.



(Top photo) James Bowman of Odessa receives his LCD television won at the annual meeting. (Bottom photo) Allison Holsey receives her grand prize bike. (Not pictured: boys' bike winner Ryan Munsterman.)

Members elect directors, approve by-law changes

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Gray reported that KWH sales between January and May of this year are down 16 percent compared to January to May of 2011, but that the record heat in June and July is allowing for a catch-up.



WCE General Manager Mike Gray reports on the state of the cooperative.

Customer Service

Several new programs being offered to members are designed to make bill-paying easier, Gray said.

Members now have the option of changing their due date, as well as a

for CO₂ emissions from new fossil fuel-fired plants, and that new, natural gas-fired plants would be able to meet the proposed standards, but that new coal-fired plants would not without having to install carbon capture and storage technologies.

"These are not yet commercial viable, and would add considerable cost to a new plant," he said.

Gray said this is not an immediate concern to Missouri cooperatives because there are not currently any plans to build any coal-fired generation in the near future.

"However, our fear is that if these standards are adopted, the EPA will then propose these standards for existing fossil-fueled plants. This then becomes a major issue for us since 80 percent of the electricity generated for WCE members comes from coal," he said.

EPA Regulations - Coal Ash

Gray also discussed the issue of the disposal of coal ash.

"Currently, 40 percent of coal ash is recycled and put to beneficial use such as being added to concrete to enhance its strength and durability. But, the EPA has proposed federal regulations governing the disposal of coal ash," he said.

The EPA is currently weighing options to either regulate it as hazardous waste or non-hazardous waste.

"(This) has been researched for nearly three decades, and the overwhelming conclusion is that it does not warrant hazardous treatment," Gray said. "If it is designated as hazardous waste, this will create

significant compliance costs for coal generation plants."

These costs, Gray told members, could render some plants uneconomical, leaving plant closure the only viable option.

He assured members that the cooperatives have top-notch staff in Washington, D.C. and Jefferson City monitoring these issues and lobbying on their behalf.

"West Central continues to provide reliable service," Gray concluded. "We continue to be solid financially, and our rates remain at or below our competitors' levels. We are always looking to provide better alternatives for you to do business with us, and we will do our best to keep EPA from causing your rates to increase."



(Above) Kevin Buckstead of Holden voices his opinion on the redistricting issue to come before the members.

Other Meeting Highlights

Other highlights of the meeting included guest speaker and 2012 Youth Tour Delegate Hali Mieser, who presented the essay which won her the trip to Washington, D.C. for the National Rural Electric Youth Tour.

Informational booths where members could have their blood pressure checked, learn about gardening and insulation and how to make their homes the most energy-efficient they can be were set up throughout the evening. WCE linemen were on hand to give

live demonstrations on electrical safety and how power outages are located and repaired.

Members could receive information on the WCE rebate program and Exede satellite internet services. Upon arrival, members were registered for prizes, including a 32" Magnavox LCD television donated by NW Electric Power Cooperative, (won by James Bowman of Odessa), and one free month of electricity (won by Robert Payne of Odessa.)



WCE Lineman Jesse Underwood presents Robert Payne of Odessa with his grand prize -- one free month of electricity.

pre-paid option to allow members to control when and how much they pay.

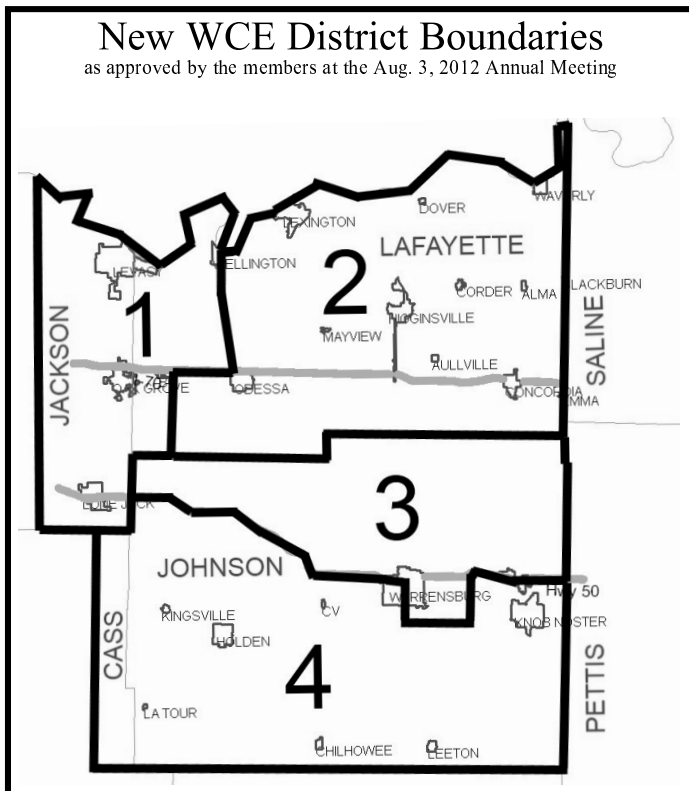
New Internet Service

For those looking for high-speed internet, Gray mentioned the new Exede by ViaSat, with speeds equal to DSL and usage packages competitively-priced. The service is available through the cooperative's subsidiary, West Central Services.

EPA Regulations - Power Plants

"As always, we continue to monitor how new government regulations will affect you, our members," Gray said. "EPA regulations continued to be a primary focus of our statewide and national organizations' legislative efforts this past year."

He informed members that in April, the EPA published proposed standards





Johnson County Sheriff and WCE member Chuck Heiss stands for The National Anthem at the cooperative's annual meeting.

West Central Electric: Here, There, Everywhere

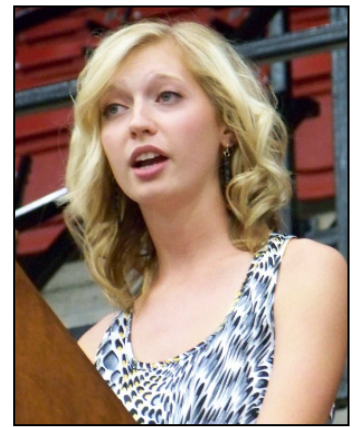
"West...Central...Electric. Where have I heard that before?" WCE Youth Tour delegate Hali Mieser asked during the delivery of her winning speech at the cooperative's annual meeting.

"Hmmm....I feel a pattern beginning," she said, as she described a day filled with reminders that West Central Electric is about more than just providing electricity.

Mieser spoke about a young girl waking up to her parents discussing the idea of cooperatives as they looked over the electric bill. After arriving at school, she recalled hearing a presentation about the Rural Electric Youth Tour in her language arts class, and the reminder from one of her teachers to fill out the scholarships offered by the cooperative.

That evening, while accompanying her sister to a 4-H meeting, she sat listening to the evening's program -- a safety demonstration from a West Central Electric representative.

As she spoke, Mieser described a student



Mieser

who for the first time realized that her local electric cooperative really was about more than just providing electricity.

Mieser thanked the board for providing her the opportunity to attend the Rural Electric Youth Tour, and told her audience, "It really was the trip of a lifetime!"

2012 Annual Meeting Prize Winners

Free Month Electricity

Robert Payne

LCD television

James Bowman

\$100 Energy Certificate

Matthew Moss

ElGene VerDugth

\$50 Energy Certificate

Frank Jackson

Mike Bollinger

Jerry Arwood

Richard Litle

\$25 Energy Certificate

Donald Fore

Kenneth Nierman

Robert Hotmer

Kevin Carlyle

Melvin Rehkop

Ida Frances Laun

Dennis Flannery

Brian Wilcoxson

Juanita Welch

Griddle from Berry Consulting

Beverly Eppert

Crock Pot from Berry Consulting

Charlotte Smith

\$100 bill from Scobee Const.

Robert Marsh

Gary Beissenherz

Harold Oetting

Matthew Brisbin

Salem Presbyterian

Toy Truck from Altec

Makayla Trinklein

Kaylin Hotmer

Flashlight from Altec

Lois Cheatham

David Stone

Kids' DVD

Landen Elliott

Kali Plunket

Grand Prize Bike & Helmet

Ryan Munsterman

Allison Holsey



RECORD CROWDS...The line for registration at WCE's 73rd annual meeting snaked through the Multipurpose Building, out into the parking lot and around the outside of the building as more than 2,500 people turned out for the meeting.