



Our **70<sup>th</sup>** Year  
1937-2007

# CURRENT COMMUNICATOR

www.forcvec.com

MEMBER NEWSLETTER OF CENTRAL VIRGINIA ELECTRIC COOPERATIVE

"Improving the quality of your life in a quietly impressive way."  
May & June 2007

Volume 16, Number 3

## ANNUAL MEETING

June 27, 2007

Nelson County High School

## AGENDA

6:30 PM  
Registration

7:00 PM  
Business Meeting

7:30 PM  
Refreshments

8:00 PM  
Special Program  
with Oakland,  
The Nelson County  
Museum of History:

*Cuttin' on the Lights:  
Rural Electrification*

*Comes to*

*Central Virginia*

**Calling All Members!**  
**70th Annual Meeting Coming Up!**  
**Same Place, Different Time**  
**New Bigger & Better Proxy Prizes!**  
(See page 7 for details!)

## A History Sampler in June

*It's been 70 years since rural electrification took root in Central Virginia, with the help of some local leaders and the REA (Rural Electrification Administration).*

Immediately after the CVEC Annual Meeting on June 27, in honor of seventy years of service, CVEC will be hosting a special presentation: *Cuttin' on the Lights: Rural Electrification Comes to Central Virginia*. Please join us as we look back on the events that opened the way for lives of greater convenience and comfort.

Much has changed since CVEC was formed in 1937. Back then you had three choices.

You could:

1. live in a company town,
2. buy a Delco generator system, or
3. "make do" without electricity.

*Chop some wood... heat that stove... get ready to wash those clothes. Chop some wood... heat that stove... six pounds of iron and you press your clothes (even in August). News of the day arrives if a visitor stops by. World events are learned when word happens to come your way.*

*Life was different.*

Then things changed. The REA stepped in and offered to finance rural electric cooperatives for local owners. It changed daily life . . . for housewives in the home and farmers in the field. News and entertainment were available with the twist of a radio knob.

The women seemed to take the lead once the wire was strung. One survey, conducted after one year of electrification at another co-op, measured purchasing habits. 85% of the people bought irons to replace the versions that sat atop the wood stove. A close second was a family radio (84%) that instantly connected everyone to the outside world. Third on the list was the electric



**MORE LEISURE HOURS**  
*For the woman who does her own cooking!*



## GREETINGS FROM YOUR COOPERATIVE:



**It was a good year for your Cooperative in 2006, with members enjoying the benefits of a well-maintained distribution system and very low energy rates, an unusual situation when many utilities are contending with rising energy costs and implementing double digit rate increases. CVEC continued to provide members with a good value in electric service.**

Keeping up with growth is the primary challenge. Central Virginia Electric Cooperative serves 14 counties where moderate to strong growth is increasing the membership total as well as the demand for energy. CVEC now has more than 33,000 member accounts compared to 25,500 only a decade ago, a healthy trend that is expected to continue.

Life is good in central Virginia and each of us has taken note of new housing developments and commercial projects indicative of an attractive place to live. CVEC experienced a record number of applications for new service last year and is working hard to keep up with existing and future growth. In fact, the Co-op added 1099 new services in 2006, each requiring an investment in new equipment and installation labor.

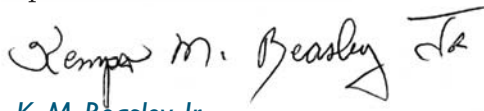
Each new service also increases the energy demand, and system capacity must be monitored and expanded in higher growth areas. Last year, CVEC invested \$10 million in the physical plant including new substation equipment, cable replacement projects and 84 miles of new service line.

Seventy years ago, CVEC built its first section of line for \$100,000 to serve 400 members. Today, the physical plant is worth more than \$100 million and well prepared to meet the present and future needs of members. CVEC completed 2006 with a total of 4,371 miles of line in service or an average of 7.55 member accounts per line mile.

Your Cooperative has been able to keep rates low while upgrading the distribution system by reducing and stabilizing wholesale energy costs. That strategy has been effective and CVEC is busy planning for the long term future, working to secure future wholesale power sources that will provide for the member energy needs through the latest and most responsible generation technology.

While managing and improving the physical plant and purchasing wholesale energy is critically important, your impression of the Co-op is probably based on how our people respond when you call for help. When bad weather strikes, our crews are good about getting the lights back on. In addition to their efforts, the Co-op has an aggressive program to maintain the powerline rights-of-way. CVEC spends time and money clearing and trimming trees before they have the opportunity to fall into your power line, to prevent outages before they can happen.

It was a good and productive year for CVEC in 2006, full of solid work to maintain and improve the electric distribution system that delivers low-cost energy to you, one of the Cooperative member-owners.

  
K. M. Beasley, Jr.  
Chair

  
Howard L. Scarboro  
President & CEO

## KNOW YOUR DIRECTORS:

The three members of the CVEC Board of Directors who have been nominated for re-election in 2007 are introduced here, each with a short biography and a map of their district.

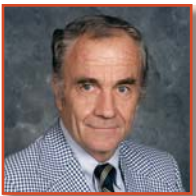


### Roberta I. Harlowe

*East District / Representing the Counties of Fluvanna, Goochland, Louisa, and Orange*

Roberta Harlowe has served as a Director for Central Virginia Electric Cooperative since 1983. She and her husband, Bill, formed, operated and have recently retired from Harlowe-Powell Auction Ltd. She is an active member of Beaver Dam Baptist Church and stays busy with numerous community and church activities. She currently serves on the Virginia, Maryland, Delaware Association of Electric Cooperatives as Chairman of the Educational Services Committee and the Educational Scholarship Foundation Board.

Mrs. Harlowe attended James Madison University. She has lived in the area most of her life and presently resides with Bill in Troy. They have a daughter, a son, their spouses and three grandchildren.



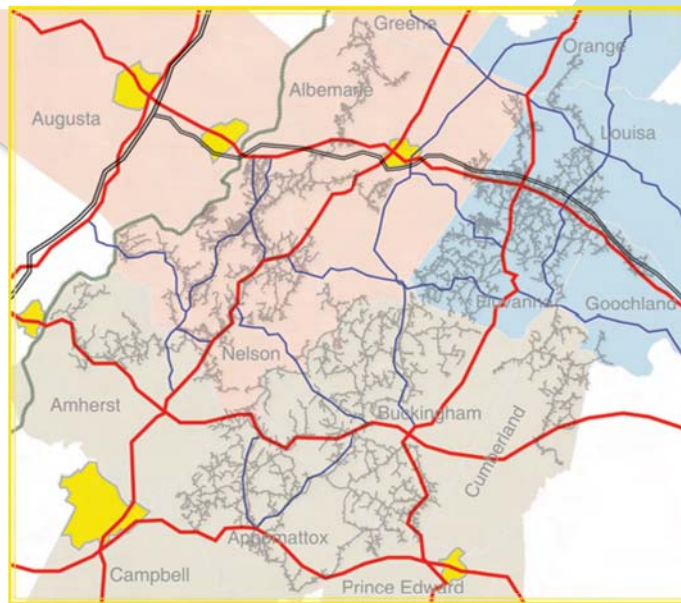
### Henry Chiles

*West District / Representing the Counties of Augusta, Albemarle, Greene, Nelson*

Henry Chiles has served as a Director for Central Virginia Electric Cooperative since August 1977. Mr. Chiles has been active in community and trade organizations for many years. He presently is involved with the Ruritan Club and attends Tabor Presbyterian Church. He is the owner of Crown Orchard in Batesville, as well as Chiles Peach Orchard and Carter Mountain Orchard.

Mr. Chiles has spent his entire life in Batesville and resides there with his wife, Ruth. He has two daughters, a son, and three grandchildren.

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### CVEC DISTRICTS

- EAST
- WEST
- SOUTH



### K. M. Beasley, Jr.

*South District / Representing the Counties of Amherst, Appomattox, Buckingham, Campbell, Cumberland, and Prince Edward*

Chairman K. M. Beasley, Jr., has served on the Board of Directors since 1995. Mr. Beasley became a CVEC member in 1969.

Mr. Beasley presently is a real estate broker and beef cattle farmer. He grew up on a farm producing grain, growing tobacco, and raising cattle. He has worked for the VA Department of Highways on a survey crew and as an inspector. K. M. has been employed by a commercial bank and the Farm Credit System.

K. M. Beasley brings experience to the CVEC Board of Directors from his work on the Board of Directors of the Farmville Farmer's Cooperative. He is also a member of the Virginia Farm Bureau State Education Committee, and of the Appomattox Beef Cattle Association.

Mr. Beasley lives in Dillwyn with his wife, Harriette. They have a son and daughter, a son-in-law, and three grandchildren.



## SHORT BURSTS:

### SCHOLARSHIPS GIVEN TO CVEC STUDENTS

Five area high school graduates will be receiving scholarships from the **Virginia, Maryland & Delaware Association of Electric Cooperatives (VMDAEC) Educational Scholarship Foundation**.

All were awarded scholarships based on a competitive screening process and were eligible because a parent or guardian is a member of CVEC.

Receiving a \$1,000 Worth M. Hudson Scholarship is **James W. Maddox** of Gordonsville. He is a 2007 graduate of Louisa County High School in Mineral.

Earning \$500 scholarships are:

- ☛ **Lindsay E. Jamerson** of Dillwyn, a graduate of Buckingham County High School
- ☛ **Morgan E. Letterman** of Pamplin, a graduate of Appomattox County High School
- ☛ **Maren Rose Paslick** of Wintergreen, a graduate of Forest Park High School, Woodbridge
- ☛ **Allie G. Robinson** of Cartersville, a graduate of Cumberland County High School
- ☛ **Ashley Wilson** of Palmyra, a graduate of Fluvanna County High School

This year, the VMDAEC Educational Scholarship Foundation awarded 40 \$500 and five \$1,000 scholarships for a total award of \$25,000, the largest amount in the history of the Foundation. Since its inception in 2000, the Foundation has awarded 179 scholarships totaling \$93,000.

This year's Gaff-n-Go Rodeo & Expo and a VMDAEC Golf Tournament (held the same weekend) were major fundraisers for the Scholarship funds. CVEC's Director Roberta I. Harlowe, of the East District, is currently the Chair of the Education Scholarship Foundation.

### MEMBER APPRECIATION DAYS

Central Virginia Electric Cooperative will once again host Member Appreciation events in 2007.

- *The Nelson County Summer Festival / June 23 & 24*
- *Fluvanna County's Old Farm Day / October 6*
- *Appomattox Railroad Festival / October 13 & 14*

CVEC will be at all of these festivals with pole climbing and electric safety demonstrations, as well as information on energy use and conservation.



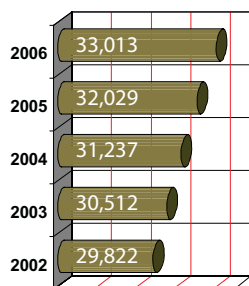
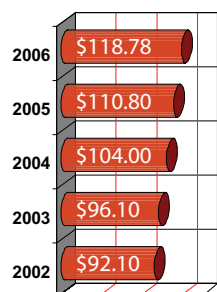
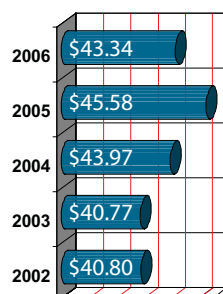
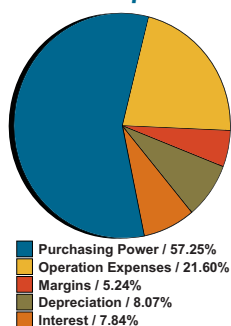
### AUTOMATIC BANK DRAFT

Free up a bit of time in your life by signing up for CVEC's automatic bank draft service.

- *Your bill will be paid monthly from your bank account.*
- *You will still receive a monthly bill showing the amount due and the date your payment will be drafted.*

There's no extra charge for this service and the signup form is on the back of your monthly bill. Check it out!



**Growth in Accounts****Growth in Total Assets**  
(In millions)**What Power Costs**  
Megawatt Hours in Dollars**How Revenue Was Spent****STATEMENT OF CONDITIONS:**

Balance Sheet as of December 31, 2006 &amp; 2005

<b>ASSETS (What we own)</b>	<b>2006</b>	<b>2005</b>
Total Value of our Plant:	\$142,619,746	\$132,509,286
Plant Depreciation Estimate:	\$38,927,734	\$36,421,678
Net Value of Our Utility Plant:	\$103,692,012	\$96,087,608
Cash in the Bank:	\$3,101,071	\$3,266,308
Value of Our Investments:	\$2,122,332	\$2,054,244
Notes & Accounts Due Us:	\$4,926,305	\$5,694,881
Value of Materials Stock & Supplies:	\$1,712,858	\$1,528,196
Value of Prepayments & Miscellaneous Assets:	\$3,222,053	\$2,196,171
<b>TOTAL ASSETS</b>	<b>\$118,776,631</b>	<b>\$110,827,408</b>
<b>LIABILITIES (What we owe)</b>	<b>2006</b>	<b>2005</b>
Owed to RUS & FFB:	\$56,958,491	\$50,552,881
Owed to CFC & Others:	\$19,282,033	\$20,600,418
Owed on Current Accounts:	\$10,109,653	\$10,212,282
Members' Equity in Co-op:	\$32,426,454	\$29,461,827
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>\$118,776,631</b>	<b>\$110,827,408</b>
<b>OUR INCOME</b>	<b>2006</b>	<b>2005</b>
Electricity & Distribution Services Sold:	\$48,920,539	\$51,334,037
Received from Investments:	\$135,320	\$381,370
<b>TOTAL INCOME</b>	<b>\$49,055,859</b>	<b>\$51,715,407</b>
<b>OUR EXPENSES</b>	<b>2006</b>	<b>2005</b>
Cost of Electricity Purchased & Generated:	\$28,084,331	\$31,082,450
Expense of Operating & Maintaining Our System:	\$10,568,283	\$10,255,214
Annual Depreciation of System:	\$3,957,282	\$3,804,132
Interest on Long Term Loans:	\$3,844,714	\$3,663,930
Other Interest Expenses:	\$32,401	\$14,249
<b>TOTAL EXPENSES</b>	<b>\$46,487,011</b>	<b>\$48,819,975</b>
<b>MARGINS AND PATRONS' CAPITAL</b>	<b>\$2,568,848</b>	<b>\$2,895,432</b>

<b>A DECADE'S GROWTH:</b>	<b>2006</b>	<b>1996</b>	<b>% Increase</b>
Number of Accounts Served:	33,013	25,489	29.52%
Miles of Line in Service:	4,371	3,596	21.55%
Average Number of Accounts per Miles of Line:	7.55	7.09	6.49%
<b>TOTAL ASSETS</b>	<b>\$118,776,631</b>	<b>\$58,681,048</b>	<b>202.41%</b>

Financial statements are audited annually by an independent certified public accounting firm. Our financial statements present fairly, in all material respects, the Cooperative at December 31, 2006, and the results of the year conform with generally accepted accounting principles. Copies of our financial statements are available upon request.

## GAFF-N-GO\* RODEO RESULTS

If your office is 40 feet in the air and you work within arm's length of 14,000 volts of electricity, then you would be an electric lineman, and you hold one of the most dangerous jobs in the world. That's why safety and training is so important.

CVEC recently hosted the **5th Annual Lineman's Gaff-n-Go Rodeo & Expo**, a climbing competition where linemen from five states competed against one another in a series of events.

*\*A "gaff" is a term for the pointed metal hook, located on the instep of an electric lineman's boot. It assists the lineman in climbing and descending a utility pole.*

Competitors rescued a hurt man (a 175 lb. mannequin) from the top of a pole, changed-out line equipment, demonstrated climbing skills, and even had to carry a raw egg in their mouth while

descending a pole. Everyone started each event with a perfect score of 100 points and received deductions for improper work procedures, safety infractions and broken eggs. The top three teams and three top apprentices will advance to the International Lineman's Rodeo in Kansas City in the fall.

*CVEC linemen competing in the Gaff-n-Go Rodeo were: Jonny Bennett, T. R. Eubank, Larry Campbell, Thomas Gardner, Caleb Johnson, Brian Prue, Jason Purvis, Brian Rose, Michael Stewart, Jamie Terry, & Jimmy Wilmoth.*



CVEC linemen T. R. Eubank and Larry Campbell competing at Rodeo in the "Capacitor Change-out" event.

### Continued from Page 1

washing machine (63%) followed by a vacuum cleaner (48%) (since the lights showed how much dirt there really was). Those items were the most

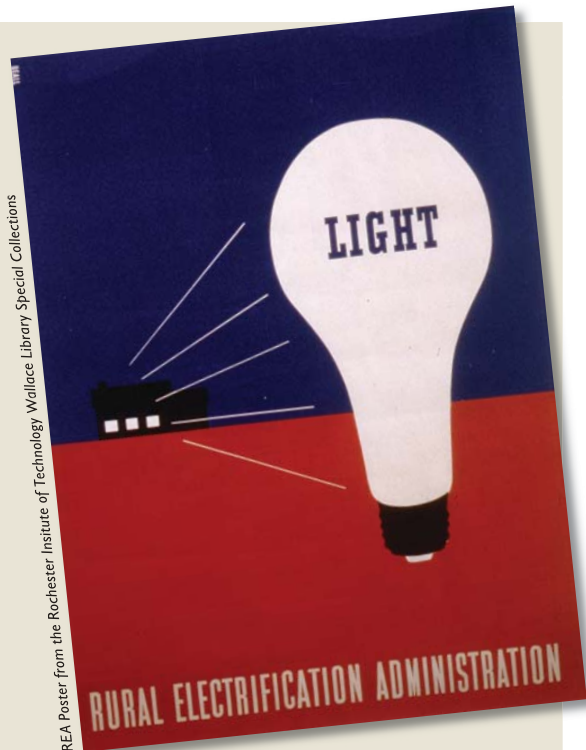
affordable and would have an immediate impact in the home.

On the other hand, only 20% had purchased a refrigerator within 12 months of receiving electric service.

Fewer still had a water pump or an electric stove. Those items would take some hard-earned savings.

Electricity took some getting used to. There was apprehension. Co-op leaders were naturally concerned about the progress of the build-out and whether people would use the service once it got to them. Some customers were afraid to touch the switches . . . others kept plugs in the sockets to prevent the electricity from leaking out. Converting lives from wood, oil and perspiration was a big leap in 1937, and changed the course of rural life for those who followed.

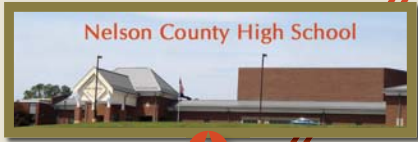
*On June 27, come & hear stories from people who were there. Bring your own stories with you. We would like to hear if you recall the day that CVEC "Cut on the lights."*



**CENTRAL VIRGINIA ELECTRIC COOPERATIVE IS AN EQUAL OPPORTUNITY EMPLOYER.**



Lovingston



### NELSON COUNTY HIGH SCHOOL

is approximately 1.5 miles South of Lovingston or 2.5 miles North of Colleen on the West side of US 29.

**REMEMBER:**  
Registration begins at 6:30!

Colleen



Lynchburg

## HOW TO VOTE:



If you do not attend the annual meeting in person, you may vote by proxy ballot. If you come to the meeting you are entitled to vote during the meeting; however, your proxy ballot will be canceled.

**Proxy:** *If there is doubt that you can attend the annual meeting, please execute and return the proxy ballot promptly so a person may be designated as your proxy. The proxy will act on your behalf for business matters and will ensure a quorum for the business meeting.*

*The named person should be someone you expect to attend the annual*

*meeting. The director from your area or a Co-op employee may be designated.*

*You may also leave the space blank and CVEC will insert the name of a person to act for you. **Please date and sign the proxy ballot.** Return it to the Co-op by folding the ballot together, sealing, and mailing. Returning the proxy ballot registers you for proxy prizes (see below).*

**Director Elections:** *You may choose to mark your proxy ballot for one director in each of the three districts. Your other options are to mark "abstain" if you do not wish to vote or to leave the proxy ballot blank and your proxy will cast your vote at the meeting.*

**BE SURE TO SIGN SECTION #3 ON YOUR PROXY BALLOT.**

Tear at perforation, fold & seal

We will pick 11 proxy ballots from all received by 5 PM, Monday, June 25.

Ten winners will receive \$100 credit toward their electric bill.

ONE GRAND PRIZE WINNER WILL RECEIVE

**\$500 CASH!**

Your proxy will not be valid if you attend the meeting, but you will be eligible for additional prizes given that evening.



mail scan here

Fold here

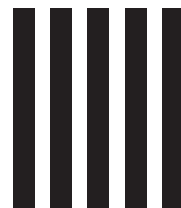
**BUSINESS REPLY MAIL**

FIRST-CLASS MAIL PERMIT NO. 2 LOVINGSTON, VA

POSTAGE WILL BE PAID BY ADDRESSEE

CENTRAL VIRGINIA ELECTRIC COOPERATIVE  
P.O. BOX 247  
LOVINGSTON, VA 22949-0247

NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

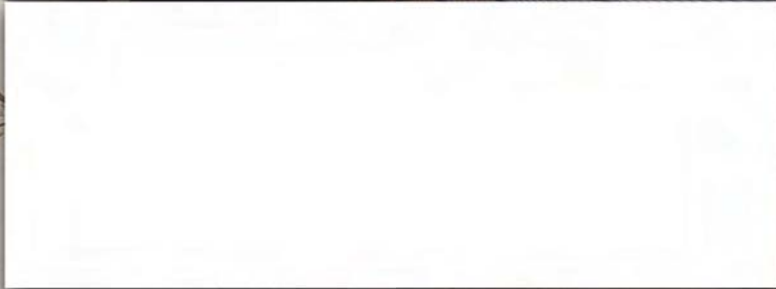


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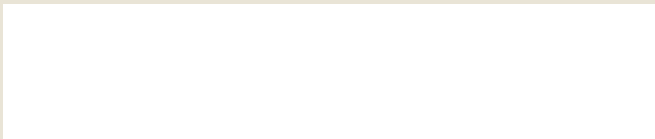
www.forcvec.com



Bring this mail panel to the CVEC 70th Annual Meeting. It will identify you as a Co-op member and make you eligible for door prizes.



## OFFICIAL 2007 CVEC PROXY BALLOT



**Proxy Ballot must be received by 5 PM, Monday, June 25, 2007 to be valid.**

*The Board of Directors of Central Virginia Electric Cooperative solicits your Voting Instructions for the Annual Meeting, 7 PM, June 27, 2007.*

### 1. Designate Your Proxy (Optional)

*(Person attending the Meeting to vote on your behalf.)*

PROXY NAME: \_\_\_\_\_

*(This is optional. If left blank, the Board of Directors will appoint someone as your Proxy.)*

### 2. Voting Instructions (Candidates' biographies inside)

Check only one box per District

*(If left blank, your Proxy will choose on your behalf.)*

East District	<input type="checkbox"/>	Roberta I. Harlowe
	<input type="checkbox"/>	OR Abstain
South District	<input type="checkbox"/>	K. M. Beasley, Jr.
	<input type="checkbox"/>	OR Abstain
West District	<input type="checkbox"/>	Henry Chiles
	<input type="checkbox"/>	OR Abstain

I acknowledge receipt of the Notice of Annual Meeting and Proxy Designation. In the event of my absence, I hereby designate a Proxy to vote on my behalf at the Annual Meeting.

This Proxy Ballot, when returned properly executed, will be voted as directed. If this Proxy Ballot is returned signed with no Voting Instructions, my Proxy will choose on my behalf. The Board of Directors will appoint my Proxy if I do not designate someone.

**This Proxy Ballot must be signed to validate your vote. All Voting Instructions will be kept confidential.**

### 3. Sign here to validate Proxy Ballot

*(Sign name as it appears on CVEC account)*

X \_\_\_\_\_, \_\_\_\_\_ 2007  
Member Signature Date

TITLE: \_\_\_\_\_

*(If you are an officer or voting representative of the member organization)*

### 4. Mail Proxy Ballot (Must be received by 5 PM, June 25, 2007.)