



**BLUESTEM**

ELECTRIC COOPERATIVE, INC.

[www.bluestemelectric.com](http://www.bluestemelectric.com)

August 2004

# Bluestem NEWS

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## From the General Manager

In the March "Bluestem News", as well as at this year's Annual Meeting, we discussed the declining financial position of the cooperative, reasons for the declining financial position and plans for an adjustment in rates. Since that time the cooperative staff along with a rate analyst has been working with the Board of Trustees regarding a new rate structure that will meet our obligations. The Cost of Service Study analysis that is the basis for developing the new rates is in the process of being completed as this article is being written. The magnitude of the increase will be determined once the Cost of Service is finalized in August. The Board of Trustees will continue to study the rates and rate design issues into the summer and will plan on addressing the final rate considerations this fall. Notice as to the proposed changes and their effect on the various rate classes will be provided in the "Bluestem News". It is anticipated that the new rates will become effective in the late fall/early winter time frame.

One item that will be incorporated in the new rate structure will be the implementation of an energy cost adjustment. This rate mechanism has not been in the rate structure since 1992. The energy cost adjustment will appear on the monthly bill and is used to track a portion of the wholesale

purchased power cost. A base amount will be established to cover the cost of wholesale energy on a monthly basis. Actual energy costs for the month will be compared to the base and an energy cost adjustment factor per kilowatt-hour will be calculated that will add or credit the monthly bill. This will allow only the recovery of the monthly wholesale energy cost. As we discussed in the March "Bluestem News" and at the Annual Meeting, not having an energy cost adjustment in the rate structure the past two years has contributed significantly to the deterioration of the cooperative's financial condition. Increased wholesale power costs, which were higher primarily as a result of the operation of natural gas fired peaking generation units, have been absorbed in the cooperative's operations. These peaking generation units were operated in order to meet the demand for electric power while the temperatures and humidity were soaring in July and August. As noted earlier in the year we have reached the point where we can no longer continue to absorb the increases and thus the implementation of the energy cost adjustment will be incorporated in the new rate structure.

Since our last rate adjustment in 1992, property taxes, fuel costs, insurance, labor, supplies

and materials have all increased adding to our costs of doing business. Until 2003, we were able to absorb many of these increases through additional sales revenue; however we can no longer continue to absorb the increases. Raising rates is never a popular decision, as no one wants higher electric bills; however, without some increase, your cooperative cannot continue to provide the level of reliable service that you, our members, have indicated you enjoy. The increase in rates will also allow the cooperative to continue to meet the financial obligations that are required within the terms of our mortgage with the Rural Utilities Service (R.U.S.-formerly known as REA).

In closing, we would again state that information regarding the rate adjustment as well as the official notice of when the board will consider approval of the new rate structure will be provided in the "Bluestem News" later this year.

If you have questions or concerns about this issue or any of the Cooperative's programs, please contact either of the Cooperative's offices.

Ken Maginley  
General Manager

## Bluestem Nomination and Election Process

Excerpt from the

BLUESTEM ELECTRIC COOPERATIVE Bylaws

**SECTION 4.05 Nomination of Trustees.** The Board shall appoint a nominating committee, on or before the first of October of each year, consisting of not less than one, nor more than five members from each district for whom a Trustee is to be elected. Board members may not serve on the nominating committee.

Only committee members from each district will nominate their own candidate. Committee members from districts one and two will meet together at Clay Center and committee members from districts three and four will meet together at Wamego. Nominating committees shall meet during the month of October. On or before the first day of November, the nominating committee shall prepare and post a list of nominations for Trustee at the Wamego office if a Trustee is to be elected from districts three and four and at the Clay Center office if a Trustee is to be elected from districts one or two. The committee shall nominate one or more candidates for each position. Nominations may be made by petition, filed on or before the close of business, December 1, at the Wamego office for Trustees to be elected from districts three and four, and at the Clay Center office for

Trustees to be elected from districts one or two. The petition must be signed by no less than 5% of the membership of the district for whom the Trustee is to be elected. The secretary shall immediately post such nominations at the same place where the list of nominations by the committee is posted. Nominations made by the petition shall appear on the ballot in the order received

**SECTION 4.06 Election of Trustees.** The election of Trustees shall be by mail ballot. Only those nominees selected by the nominating committee or nominated by petition shall appear on the ballot. There may be write-In votes for a qualified member not named on the ballot. The ballot shall first list the name(s) nominated by the committee, then the name(s) nominated by petition in the order received and, at the end, a place to write in a name. Failure of strict compliance with provisions of this section shall not affect the validity of any election of Trustees.

The secretary shall mail the ballots to the respective members on or before the 10<sup>th</sup> day of December of each year. On or before the first day of January of each year, ballots must be postmarked or received at the Wamego office or the Clay Center office.

Those members who have been appointed to serve on each district's respective Nominating Committee will be listed here in next month's *Kansas Country Living Magazine*.

# Farm Safety Guidelines for Children Effective,

Giving parents specific safety guidelines for assigning farm chores to children can decrease injuries to children by half, according to a study by the Basset Research Institute and the New York Center for Agricultural Medicine and Health.

Each year, more than 100 children are killed and 33,000 seriously injured on U.S. farms and ranches, according to the National Children's Center for Rural and Agricultural Health and Safety.

The Center issued the North American Guidelines for Children's Agricultural Tasks in June 1999 to help adults assign age-appropriate farm chores to children 7 to 16 years old. The guidelines consist of 68 recommendations covering jobs such as animal care, hay operations and tractor fundamentals.

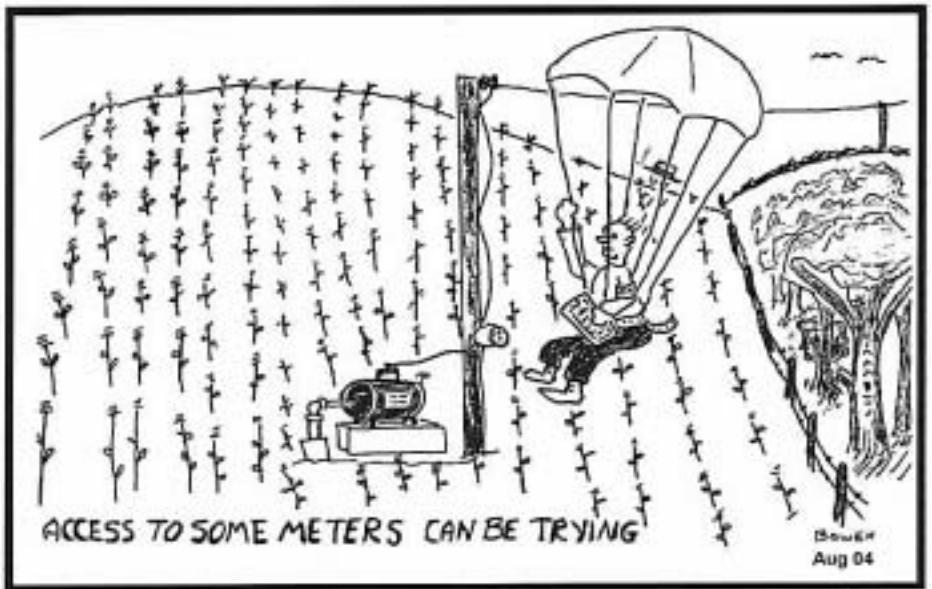
The guidelines were tested on 845 farms in central New York with a total of 2,454 children who either lived or worked on the farm. Half of the farms received the guidelines and a visit from an educator. The other farms received only a visit to complete a baseline survey; these farms made up the control group.

Giving the parents the guidelines reduced injuries by nearly half when compared to the control group.

The guidelines were most successful by limiting the amount of time a child performs a task and by increasing the amount of the task supervised by an adult.

The guidelines can be found at <http://www.nagcat.org>. For additional safety tips, see [http://kidshealth.org/kid/watch/out/farm\\_safety.html](http://kidshealth.org/kid/watch/out/farm_safety.html).

Source: [www.healthday.com](http://www.healthday.com); *USA Today*



*Irrigation wells do not have the TWACS System meters as of yet. Therefore our meter readers will still need access to all irrigation meters!*

## “Blinks” Can Signal a Properly Working Electrical System

We often hear the question from members “What causes my lights to blink?” The utility network is subject to certain short-term losses of power, and Bluestem Electric Cooperative takes all possible measures to prevent these occurrences and minimize the effects to our members. Blinking lights are a result of momentary outages that occur when some type of disturbance exists on the line. This could be a lightning strike, an automobile striking a pole, or when a squirrel or tree branch comes into contact with an energized power line.

When lights blink, it is an indication that the cooperative's equipment is operating properly. If a fault or short circuit happens on a power line, a device called an “oil circuit re-closer” (OCR) opens to stop it, then quickly closes back in. Although the process is quick – and usually temporary – it may cause your lights to blink, making it necessary to reset digital clocks and appliances with digital displays.

The OCR is essentially a breaker, functioning much like a breaker in the electrical panel in your home. It permits power to continue flowing through the line with only a brief interruption of service – rather than causing an extended power outage. If the short circuit continues, the OCR will operate or “trip” three times before eventually stopping the flow of electricity and causing a power outage. This process protects the lines from damage, cutting off power to the affected section of the line and isolating the problem until it can be repaired.

Although the weather and nature's creatures are beyond our control, cooperative members can lessen the effects and inconvenience of “blinks” when they occur. When purchasing small appliances and digital clocks, consider a model with battery backup. You may also want to install meter-base surge protection for the major appliances in your home and surge protection with built-in uninterrupted power supply (UPS) for your computer or other electronic devices whose “memory” would be lost with a power interruption.

### Offices to Close for Labor Day

The Bluestem Offices will be closed  
**Monday, September 6, 2004**  
In observance of Labor Day

In case of an outage problem, call:  
**Bluestem East – (785) 456-2212**  
or 1-800-558-1580

**Bluestem West – (785) 632-3111**  
or 1-800-297-8725

### School Starts In August . . .

Drive Carefully And Watch



**For School Buses Stopped For  
Children On The Roadway!**