

# Lane-Scott CONNECTIONS

A Touchstone Energy® Cooperative 

P.O. Box 758, 410 S. High Street, Dighton, KS 67839 • Phone (620) 397-5327 • [www.lanescott.coop](http://www.lanescott.coop)



May 2008

## Lane-Scott Electric Cooperative, Inc.

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### In Case of Outage

If your electricity is off for more than a few minutes, call 1-800-407-2217. Office hours 8 a.m. to 5 p.m. After hours calls will be answered by the dispatch and standby personnel.

### 24-Hour Electrician Service

If you are without electricity, or have an electrical emergency on your side of the meter, we have a master electrician on staff available 24 hours a day.

## From the Manager... 2007 Review

Lane-Scott Electric had an interesting 2007 to say the least.

### Ice Storm 2006

The year got off to a crushing start with the ice storm in late 2006.

It took most of the first six weeks to get all the services up and energized with electricity followed by the engineering task of figuring out what had to be done to our system.

Lane-Scott submitted the various projects for Federal Emergency Management Agency (FEMA) approval. As things progressed, our crews just kept working on various projects that were essential with our without FEMA ap-



Earl Steffens

proval. In early fall, our projects were approved for approximately \$20 million, not including the initial restoration cost of \$4.5 million that had been previously approved.

Lane-Scott projects that it will take four years to complete the 350 plus miles of line that FEMA has approved. This is a gigantic undertaking for our cooperative, but five years from now Lane-Scott will have a much-improved system.

### Aquila Acquisition

The Aquila acquisition was completed in 2007. This acquisition is very good for Lane-Scott  
*continued on page 16-D*

## Account Number Changes May Require Action

We recently upgraded our computer system. Due to these changes, account numbers are being changed to a new format.

Please take note of your account number when paying your bill. The old account number is no longer recognized on our system. If you use the old account number when you pay your bill

electronically it will reject and cause us to manually process your payment.

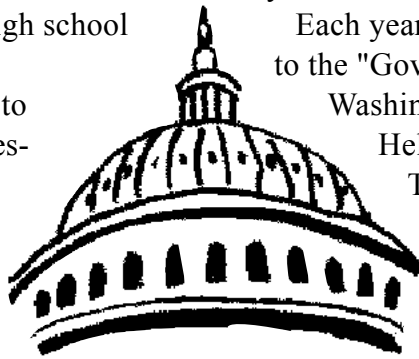
If you pay your bills through your banking institution, a bill payment organization, or an on-line firm you will need to notify them of the account number change. Thank you for your attention to this matter.

# Essays from Lane-Scott's 2008

Lane-Scott Electric recently held its annual Youth Competition for area high school juniors.

This year, students were asked to write an essay that answers the question: "How have the services from Lane-Scott Electric Cooperative make our lives better?"

Below you will find the es-



says from the winners of this year's competition.

Each year Lane-Scott sends two students to the "Government in Action" Youth Tour in Washington, D.C. The 2008 winners are Helena Harmison and Amie Mumma.

They will join 28 Kansas youth and travel to Washington, D.C., June 12-19. They will join about 1,500 other youth seeing the

## Helena Harmison



Have you ever noticed how more and more things today are powered using electricity? It heats and lights our homes, powers our TVs and computers – just to name a few. I'm sure that most never think twice about electricity when they flip a light switch or charge a cell phone...except when it's not there.

During the huge ice storm that we had last winter most people, including myself, realized just how important electricity really is to us. Those that temporarily had to do without electricity learned what it would be like to live without it, while the linemen worked around the clock to restore power to the thousands who were left without electricity.

Most people really don't know exactly what all it takes to get electricity to their homes. It takes much more than just flipping a switch. The process of taking coal from a mine and making it into electricity that we use in our homes takes a lot of work, money, and time from thousands of people that work in the electrical field.

If it weren't for Lane-Scott Electric and the many people that work there, we would probably be living the way we did during the ice storm. So thank you Lane-Scott Electric for making the life we know a reality.

## Amie Mumma



Every small town has its local businesses: flower shops, hair salons, and local diners. Each shapes the culture of a rural area. In Dighton, Lane-Scott Electric Cooperative makes a major impact on the citizens of this community, making our lives better in many ways.

During the ice storm of 2007, pole after pole of power lines fell down, causing power to be out for up to 18 days! The people of Lane-Scott were the driving force behind the action in regaining power, rebuilding lines and providing easy pick-up for the broken poles in privately owned fields. If it wasn't for their help, the damage could have been even worse.

Lane-Scott has helped offer local recreation by renovating the trap-shooting range at the fairgrounds, which is used by the Pheasant's Forever, as well as the youth trappers.

Earl Steffens, the General Manager at Lane Scott, said, "We are always looking for ways to support community projects, as well as create constructive activities for youth in our area."

That statement says it all!

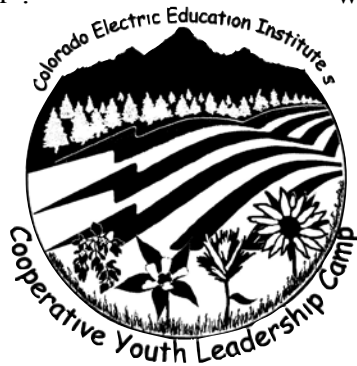
Consider the ongoing assistance and rejuvenation that Lane-Scott has given to this area. Imagine life without them. How does Lane-Scott help make your life better? Just look around you!

# 08 Youth Competition Winners

United States “Government in Action”. They will visit their Congressmen, various government agencies and sites of historical significance.

The cooperative also sends two students to the Cooperative Youth Leadership Camp in Steamboat Springs, Colorado.

This year's winners are Matraca Mann and Kyle Grose. They



will join approximately 100 youth from a four-state area participating in the Cooperative Youth Leadership Camp.

During their stay, the youth will become acquainted with energy challenges, visit sites around Steamboat Springs, Mt. Werner, Fish Creek Falls and tour one of the largest electrical generating plants in the

Rockies.

## Kyle Grose



When describing how electricity affects my life, there is one word that comes to my mind – convenience. Lane-Scott Electric brings me and my family that convenience.

It is very easy to walk into a room and flip on the switch and expect the lights to come on. Or push the on button on the television and immediately expect it to show a picture. I have become accustomed to having this access and such a convenient lifestyle.

On our family farm, electricity makes our lives much easier. We use electricity to pump our water and the water for our livestock. Our electric fences are power by electricity and it runs our welders. It also charges our batteries for our cordless power tools. Everywhere you look in our shed something is plugged into an outlet.

Electricity is most important to my family. We have to have it to stay warm or cool, talk on the phone, and watch television. It is especially important to my mom, who needs it to run her homemade noodle business. Her mixers, fans, and rollers all need to be ran by electricity. Without it, her business comes to a halt. Without Lane Scott Electric our farm and lives would reach a major obstacle. If we didn't have Lane-Scott Electric we would, well, be in the dark.

## Matraca Mann



Lane-Scott has improved my quality of life in many ways. They provide me with all of my electrical needs and their staff is always friendly which is really helpful if you're having a rough day.

Thanks to Lane-Scott, I don't have to worry about not having power for long periods of time. They always work their hardest to make sure that everyone one of their customers has electricity. They have never failed to get the power back on, even in the worst of storms.

The part of Lane-Scott that I think has improved my life the most is the people who work there. They are always ready to help you solve your problems regardless of size of the problem.

Their friendliness teaches people that even if you're having a bad day, you can always put a smile on your face and make someone else's day just a little bit better.

There are many more ways that Lane-Scott has improved my life, but words can't tell them all. Knowing that there will always be someone nearby that is willing to lend a helping hand when electrical problems occur is a huge improvement to my life.

# From the Manager... *Continued from page 16-A*

as we took on an area that bordered our existing territory.

Lane-Scott virtually doubled its number of members (now totaling 5,973), but added only 335 miles of line, making our total miles of line is 2,032. This increased our density from 1.6 to 2.9 members per mile – not a big jump, but in the rural electric world it creates many advantages for our members.

This acquisition will take some getting used to by all. At Lane-Scott we not only had to learn a whole new member-base, but these new members also had to learn about us.

## **Safety**

The safety of our employees and members is never taken for granted, as we do the work necessary to keep the lights on for your home and business. Our employees have a monthly safety meeting with instructors from Kansas Electric Cooperatives (KEC), our statewide association.

This year our employees received an award for “No Lost Time Accidents”, honoring 389,511 hours worked without a lost time accident.

The safety of our employees and our members is always on our minds as we do the work necessary to keep the lights on for your home and business.

## **Lane-Scott Continues to Grow**

System growth continues with an increase in the number of oil wells, both new and converted from other energy sources to electric. This conversion also includes irrigation accounts.

This growth has other effects

on our system. The Manning substation has been doubled in size, and Dighton 1 substation increased three times in size with a new transformer to replace the existing 1960 model.

Lane-Scott and the City of Dighton continue to work together on both the operation and maintenance agreement for the city’s electrical system and the purchaser of wholesale power. This relationship has had many positive benefits for both sides and we look forward to our future relationship with the City.

## **Capital Credits**

Lane-Scott was able to return capital credits to its members in the amount of \$167,416 in 2007 and in total have paid back over \$2 million to our members since the cooperative was formed.

## **Financial Standing**

Lane-Scott had a good year financially. Some areas did better than others, but our overall company wide margins were \$799,278. This gives us a TIER (times interest earned ratio) of 2.76, and we needed a 1.25 to meet all our financial covenants with our lenders.

Of the \$799,278, the biggest contribution was from High Line Services, LLC, with our resale department, electric margins, city operation and maintenance income, and interest income filling out the balance of margins.

High Line Services, LLC had a good year financially. This was in part due to the storm work with Lane-Scott, Brown-Atchison Electric, Victory Electric, and regular work for Lane-Scott and

Sedgwick County Electric.

High Line Services was created to fill an industry-wide need for contractors and to help stimulate some economic development for the community of Dighton. In both cases, we have found a need for contractors and have brought good paying jobs to our community.

## **We Support Sunflower Electric**

Sunflower Electric Power Corporation has been a valuable partner to us this year and every year. Lane-Scott purchases our power from Sunflower, but Sunflower is more than that to us. Sunflower helped us organize and finish the Aquila acquisition, helps on the economic development front, and works with us on many other issues that are to numerous to count.

## **Commitment to Community**

Lane-Scott is committed to the improvement of all the communities we serve through volunteer work, monetary donations or just being there to help when we are needed. Community and youth activities are vital to the success of our communities, and we work hard to help out in both of these areas.

In closing, 2007 was an eventful, interesting and challenging year. With the high-quality Lane-Scott employees, Sunflower Electric, KEC, our members, and the local communities working together, we met the challenges and exceeded expectations.

Lane-Scott is excited about 2008 and looks forward to working with all of you in the future.