



NEWS

Twin Valley Logo Gets A New Look

Kansas Electric Cooperatives (KEC), our statewide association, is updating the format for this newsletter and we felt it was the appropriate time to update our logo.

We had been using different logos on our letterhead, uniforms, truck decals and web page. KEC assisted us in designing the new logo.

We will be using the new logo on all of our written communications, vehicle identification, employee uniforms, and marketing tools, including a redesign and update of our web page in the near future.

Twin Valley Electric Cooperative, Inc.

Ron Holsteen - Manager

Contact Us

501 S. Huston Avenue ~ P.O. Box 368
Altamont, Kansas 67330-0368
Phone: (866)-784-5500 ~ Fax: (620) 784-2464
www.twinvalleyelectric.coop

Office Hours

Monday - Friday, 8 a.m. to 4:30 p.m.

Board of Directors

Daniel Peterson - President
Bryan Coover - Vice President
Norman L. Leistikow - Secretary
Larry Hubbell - Treasurer
Ronald E. McNickle
Tom Ellison
Michael Allison
Wayne Revell
Robert E. Webster, Jr.

From the Manager... Capital Credits

The Board of Directors approved retiring \$50,000 of capital credits in 2007.

Capital credits are margins earned by Twin Valley Electric during any one year. Capital credits are the monies received by the cooperative, which exceed the actual cost of providing service.

Capital credits are very important to the operation of the cooperative. The capital credits earned by the member in any one given year is used by the cooperative as operating capital until it is paid back to the members who have earned it.

The monies are invested in plant, such as trucks and equipment, used to fund new construction and system improvements, to retire principal on debt and also used to pay back capital credits earned by members in prior years. The cooperative is mandated to earn certain margins each year in order to be eligible to borrow money from Rural Utilities Service (RUS) at low or beneficial interest rates. Requirements are set by RUS to insure that the cooperative earns enough money to pay back the indebtedness to RUS.

Each member receives a "Capital Credit Allocation Notice" earned by him/her after the end of

the year and after the cooperative's books for that year have been audited and closed.

Capital credits may be paid to the members, also known as retired, upon approval of the Board of Directors of the cooperative. The Board of Directors will determine whether repayment of capital credits will impair the financial stability of the cooperative. If the cooperative's financial stability is not impaired; the Board of Directors may then authorize a total amount of capital credits to be retired.

The Board of Directors has authorized repayment of capital credits on a rotational basis, first earned first to be repaid. All capital credits earned by members through 1985 have been repaid. This retirement refunds 48% of the 1986 allocations.

Capital credits are a return of money paid for electricity in a previous year and are generally not taxable income for residential consumers. Commercial and industrial consumers should discuss any capital credit retirements with their tax advisers.



Ron Holsteen

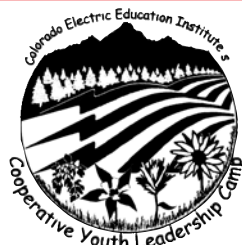


ATTENTION: High School Juniors

Standby Generator Switch



YOUTH TOUR
June 12-19, 2008



July 12-18, 2008

Twin Valley Electric Cooperative will be offering one free trip to Washington, D.C., and one free trip to Steamboat Springs, Colorado, for the children of Twin Valley Electric members.

If you are a Twin Valley member and your child is a high school junior, he or she could win an all-expenses-paid trip.

Applicants will be expected to study and take a quiz over information sent by Twin Valley regarding electric cooperatives. There will also be a short

interview to pick the winner. All participating students will receive a prize.

To apply please complete, sign and return the application below to Twin Valley, PO Box 368, Altamont, KS 67330.

Applications are due to the Twin Valley office no later than February 22, 2008.

The quiz and interviews will be held at the Twin Valley office on March 9, 2008. For more information contact Jennifer at 1-866-784-5500.

At Twin Valley Electric, we have around 950 miles of line that is subject to Mother Nature's fury. If you depend on electricity to water your cattle, heat your home, or operate life support systems, you should consider standby generation.

Every standby generation system requires a double-throw, or transfer switch to isolate the generator power from the central station power. Operating a generator without a transfer switch can cause injury or death to utility workers. Improperly installed generators can feed power back through the transformer putting high-voltage on the power lines where our linemen are working. Operating a generator without a transfer switch can also cause damage to your generator.

Because of the importance of the transfer switch, we suggest that our servicemen inspect all installations. A transfer switch that is hooked up improperly can cause equipment damage, injury or death. Do not take that chance! If you have a transfer switch that was installed by an electrician other than Twin Valley, please call us. We will come out and verify that the installation is correct at no additional charge.

Currently Twin Valley is installing 200 amp transfer switches at our wholesale cost. This is a great benefit and we encourage anyone who plans on installing a standby generator to take advantage of this sale.

If you are interested in a transfer switch please call our office at (866) 784-5500.

Application for Youth Tour Contest - DUE FEBRUARY 22

Name of Applicant _____

Address _____

City _____ State _____ Zip _____

Birth Date _____ Twin Valley Account # _____

Name of Parents or Guardians _____

Parents' Phone Number _____

School _____

I agree that all information supplied in this application is accurate and true.

Signature of Applicant _____

I hereby grant permission for the above named applicant to enter the 2008 Youth Tour competition sponsored by Twin Valley Electric Cooperative, Inc.

Signature of Parent or Legal Guardian _____