



**WHEATLAND  
ELECTRIC COOPERATIVE**

**NEWS**

**Wheatland Electric  
Cooperative, Inc.**

Neil Norman—General Manager

**Board of Trustees**

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President

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**Lawrence Houston**  
Trustee

**Charles Ayers**  
Trustee

**Roe Johnson**  
Trustee

**District Offices**

**Garden City**  
2005 W Fulton  
P.O. Box 973  
Garden City, KS 67846  
620-275-0261

**Scott City—Main**  
101 Main Street  
P.O. Box 230  
Scott City, KS 67871  
620-872-5885

**Great Bend**  
2300 Broadway  
P.O. Box 1446  
Great Bend, KS 67530  
620-793-4223

**Syracuse**  
206 1/2 N Main  
P.O. Box 1010  
Syracuse, KS 67878  
620-384-5171

**Harper**  
302 W. 6th  
P.O. Box 247  
Harper, KS 67058  
620-896-7090

**Tribune**  
310 Broadway  
P.O. Box 490  
Tribune, KS 67879  
620-376-4231

**Leoti**  
N Hwy 25  
P.O. Box 966  
Leoti, KS 67861  
620-375-2632

**In Case of Outage**

After-hours and emergency reporting call  
1-800-ON AGAIN.

**FROM THE MANAGER  
2010 Year in Review**

Wheatland continues to operate four separate utility divisions. They are the Electric West, Electric East, Water and Broadband Services. The first three are Kansas Co-operative Commission (KCC) regulated utilities. Wheatland Broadband is an unregulated utility.

**Electric West Division**

The Electric West Division is our native electric distribution system serving over 17,000 meters in nine west-central Kansas counties and three east-central Colorado counties. Sunflower Electric Power Corporation provides the power and is owned by Wheatland and five other area cooperatives.

An increase in electric rates went into effect beginning with the November 2009 bills. The increase was intended to provide \$5.3 million in additional margins for the division. Margins for 2010 for this division were \$3.6 million. Losses for 2007 (our test year for the rate case)

were \$2 million so the rate adjustment provided the intended result.



Neil Norman

**We hope to see you on April 6 at our 63rd Annual Meeting in Scott City!**

**Operating Statement  
for December 31, 2010**

Revenues	
Operating Revenues	\$100,340,742
Total Operating Revenue	\$100,340,742
Expenses	
Cost of Power	\$71,617,069
Operations & Maintenance	\$13,781,361
Depreciation	\$7,187,745
Total Interest	\$4,958,527
Taxes	\$3,235,837
Other	\$174,346
Total Expenses	\$100,954,885
<b>Operating Margins</b>	<b>(\$614,143)</b>
<b>Non-Operating Margins</b>	<b>\$2,204,580</b>
<b>Net Margins</b>	<b>\$1,590,437</b>

**Electric East Division**

The Electric East

Continued on page 16-B ▶

**Revenue & Expenses (\$1,000s)**

Division	Income	Expenses	Margins
Electric-West	\$76,200	\$72,600	\$3,600
Electric-East	\$25,600	\$27,200	(\$1,600)
Water	\$5,900	\$6,400	(\$500)
Broadband	\$1,500	\$1,400	\$100
<b>Total</b>	<b>\$109,200</b>	<b>\$107,600</b>	<b>\$1,600</b>

## From the Manager

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Division is our part of the electric distribution system Mid-Kansas Electric Corporation (MKEC) acquired from Aquila in 2007.

This division serves over 14,000 meters in Great Bend in central Kansas and parts of Harper, Kingman, Sedgwick and Sumner counties in south central Kansas. MKEC generation and transmission facilities are operated by Sunflower. MKEC is owned by the six Sunflower members.

Five of the six MKEC members, except Wheatland, filed to increase rates to customers in 2009. Increased rates were approved by the KCC beginning in February 2010.

Wheatland, the sixth MKEC member, recently filed for an increase in its retail rates. The increase, if approved as filed, should provide an additional \$4.2 million in revenue for this division. The first phase of two phases of increases should go into effect on September 1, 2011.

East & West Electric Divisions	2006	2007		2008	2009	2010
		East Electric Added	April 2007			
Operating Revenue (Electric) (X 1,000)	\$59,357	\$80,884	\$92,088	\$90,322	\$100,341	
Energy Sales (kwh) (X 1,000)	764,528	990,016	1,079,932	1,053,460	1,104,384	
Average Revenue (\$/kwh)	\$0.0776	\$0.0817	\$0.0853	\$0.0857	\$0.0909	
Cost of Power (X 1,000)	\$43,239	\$58,707	\$70,559	\$63,369	\$71,617	
Total Purchases (kwh) (X 1,000)	786,920	1,032,608	1,127,045	1,103,894	1,148,485	
Average Cost of Power (\$/kwh)	\$0.0549	\$0.0569	\$0.0626	\$0.0574	\$0.0624	
Other Operations & Maintenance (X 1,000)	\$10,353	\$15,067	\$13,295	\$12,921	\$14,410	
Total Operations & Maintenance (X 1,000)	\$53,592	\$73,774	\$83,854	\$76,290	\$85,398	
Gross Operating Margin (X 1,000)	\$5,765	\$7,110	\$8,234	\$14,032	\$14,943	
Gross Operating Margin (\$/kwh)	\$0.0075	\$0.0072	\$0.0076	\$0.0133	\$0.0135	
Depreciation Expense (X 1,000)	\$4,070	\$4,650	\$6,231	\$6,992	\$7,188	
Property Taxes (X 1,000)	\$1,958	\$2,112	\$2,432	\$2,469	\$2,779	
Other Taxes (X 1,000)	\$216	\$401	\$474	\$501	\$457	
Long Term Interest Expense	\$4,781	\$6,531	\$5,550	\$6,265	\$4,504	
Net Operating Margin	\$(3,562)	\$(1,799)	\$(5,453)	\$(1,432)	\$2,097	

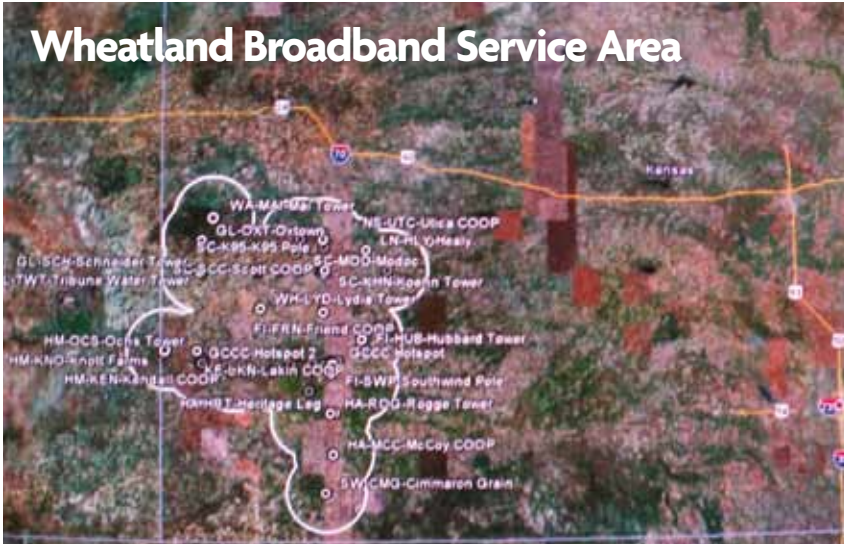
### Water Division

The Water Division operates in Finney and Kearny counties. This division holds farmland, water wells, a water treatment plant and pipeline facilities. It is authorized by the KCC to provide water via contracts to customers

## Map of Wheatland Service Territory



## Wheatland Broadband Service Area



Wheatland Broadband Service Area.

in Finney County.

Currently, the water division sells water to the city of Garden City, Finney RWD #1, Sunflower and Tyson.

The City of Garden City sponsored \$23 million in revenue bonds to help finance the water projects. Bond financing helps to reduce the cost of supplying water to the customers. As of the end of 2010, we have used the entire \$23 million bond authority.

In 2010, we installed 14 supply wells and miles of water pipeline to supply water to Tyson. We have no major projects planned for this division in 2011. We will perform routine maintenance of our agricultural supply wells and water facilities.

### Wheatland Broadband

The Broadband Services Division provides internet services to over 3,000 customers in 12 Western Kansas counties.

The division uses over 100 radios on communications towers, elevators and water towers to provide line of sight coverage to the rural areas that might otherwise not have had high speed internet service.

### Wheatland Electric Balance Sheet as of December 31, 2010

#### Assets

Electric Plant	\$206,533,006
Non-Electric Assets	\$61,664,140
Less: Depreciation	(\$66,615,940)
<b>Net Plant</b>	<b>\$201,581,206</b>
Investments	\$16,574,302
Cash & Short-Term Investments	\$9,236,298
Receivables	\$35,623,722
Materials & Supplies	\$4,312,573
Prepayments & Other	\$8,295,766
Deferred Debits	\$1,470,148
<b>Total Assets</b>	<b>\$277,094,015</b>

#### Liabilities

Long-Term Debt	\$193,875,432
Lease Obligation	\$18,095,000
<b>Total Long-term Liabilities</b>	<b>\$211,970,432</b>
Payables	\$30,888,124
Other Current Liabilities	\$5,199,610
<b>Total Current Liabilities</b>	<b>\$36,087,734</b>

#### Equities

Patronage Capital	\$28,224,192
Other Capital	\$811,657
<b>Total Equities</b>	<b>\$29,035,849</b>
<b>Total Liabilities and Equity</b>	<b>\$277,094,015</b>

## Wheatland Electric Official Proxy for the Annual Meeting of Members Wednesday April 6, 2011

Know All Men By These Presents: That I, the undersigned member of Wheatland Electric Cooperative, Inc., do hereby constitute and appoint

Carrier's Name (please print)

to be my lawful attorney, substitute and proxy for me in my name, place and stead, to vote and represent me at the annual meeting of the members of Wheatland Electric Cooperative, Inc., to be held at Scott City, KS, on the sixth day of April 2011, and to any adjournment or adjournments, and I hereby grant my proxy full power and authority to act in my stead and with the same effect as I might or could do were I present at such meeting in person; and I will hereby ratify and confirm all that my said attorney or proxy may lawfully do at such meeting in my place and stead. It is understood by me that this proxy shall not be valid unless it is filed with the secretary of the cooperative before, or at the time of the meeting at which the proxy is to be used; and further, that if I am personally present at such meeting, then the proxy shall be void.

In witness of, I have hereunto set my

hand this \_\_\_\_\_

day of \_\_\_\_\_ 2011.

Member (print)

Member (signature)

Witness (print)

Witness (signature)

**Proxy invalid after 60 days from execution**



## Looking for Reliable Internet at a Fair Price?

Wheatland Broadband is locally-owned and operated. We are committed to promoting community growth and providing our members with the best service and support.

- ▶ 24/7 service and support
- ▶ Technicians with over 90 combined years of experience
- ▶ Serving 17 southwest Kansas counties

### Cost Plan Speed

- ▶ \$39.95 Basic 1024 /384 kb
- ▶ \$54.95 Preferred 2048/512 kb
- ▶ \$69.95 Premium 3072 /1024 kb



For more information visit  
[www.wbsnet.org](http://www.wbsnet.org)  
 Contact us to get your  
 installation scheduled today!  
**866-872-0006** or  
**620-872-0006**



1820 W Kansas - P.O. Box 953 - Garden City, KS 67846

Addressing Water Needs in Finney County



Racers line up to begin the 2010 Scott City race.

Mark your calendars to attend the ElectroRally in Scott City on April 6, 2011

Wheatland Electric is proud to be a sponsor for Kansas ElectroRally at this event.

ElectoRally is an event where high school teams design, build, and race electric vehicles. It's not all about speed or endurance. Students must prepare a written report, documenting the car's design, tests, publicity, any problems faced, and the funding process.

Teams have to decide between using speed or conservation of the battery to earn the most laps. The car finishing the most laps in that amount of time wins.

To make the race consistent for all racers, drivers must weigh at least 180 pounds, or include enough ballast to bring the weight up to 180 pounds. The batteries cannot weigh more than 67 pounds.

The cars are built and designed by the students. They design the chassis (body of the car), wheels and other parts of the car. Parts from other ElectroRally cars can be salvaged to use on the newest-built car.

ElectoRally offers four classes novice, standard, experimental, and open. The experimental class allows teams to have an additional power source. Each class comes with guidelines and safety rules that apply to teams, cars and drivers.

## Working on the LINE



Underground Overhead Metering School was held in Garden City in February. All the instruction, equipment, manufacturer representatives and suppliers come to our doorstep. This is a great educational event. Some instructors include Mark Ladner, Phillip Shelley and Mark Dinkel of Wheatland Electric; Larry Detwiler, KEC; and Dave Campbell, Pratt Community College. Cleaves-Bessmer-Marietti has provided quality instruction the last 37 years.