

A short history of our organization

During the 1930s progressive farmers in America became aware of the benefits electricity held for them. Individuals and organizations began bombarding their congressmen with letters and resolutions, urging that something be done. Their efforts were successful and on May 11, 1935, President Franklin D. Roosevelt set up the Rural Electrification Administration by executive order.

Adair County REC started in 1938, when Walter Zellers, county agent, brought the first group of farmers together to incorporate on November 28, 1938. Incorporators were Albert Ray, A.E. Brown, Clay Evans, Frank A. Hawthorne, Raymond L. James, R.E. Taylor and Carl Zellweger. Elected as the first officers and directors of the new cooperative were Albert Ray, president; Carl Zellweger, vice-president; Raymond L. James, treasurer; A.E. Brown, secretary and J.C. Bredahl, Clay Evans, Frank A. Hawthorne, Robert Kading and R.E. Taylor, directors. M.G. Kellam was the first attorney for the cooperative. R.D. Mayes was employed as coordinator on January 1, 1939.

The REA act provided loans to cooperatives to finance construction of lines and substations furnishing electricity to rural areas. Loans were on a 35-year basis at two percent interest.

The cooperative found it difficult to secure the required density of members considered to be the minimum necessary to insure sufficient revenue for the amortization of the loan and to cover the operation and maintenance expense of the rural electric lines. As interest increased however, it was not long before the density increased. A \$5.00 membership was required for service to be built.

On July 25, 1939, the board authorized a note to REA in the amount of \$197,000.00. The first lines were constructed by the Ferguson-Diehl Construction Co. of Jefferson, Iowa, and totaled 185 miles for which funds had been allotted. First lines were energized March 18, 1940, and service to the first member-consumer began March 20, 1940. The cooperative served 288 customers during the first year. The monthly service charge was \$2.00 and charges for the first 40 kilowatt hours used per month were 8 cents per kilowatt hour. The Greenfield Municipal plant carried the full Adair County REC load from the time its lines were first energized until 1946, when the load became so great that half of it was switched to the Iowa Light & Power transmission line west of Winterset. In November 1948, a cracked crankshaft on one of the diesel engines at the Greenfield plant compelled the Adair County REC load to be picked up early by Southwestern Federated power plant located north of Creston.

Although the first lines were constructed in Adair County, requests soon came from farmers living in adjoining Cass and Madison counties for additional lines to provide them service.

In 1940, a second REA loan for \$174,000 was made to build 226 miles of line in Adair County and extend the service of the cooperative to portions of Cass and Madison counties.

Expansion was slow during the war years because of the difficulty of obtaining materials and equipment. However, in 1944 two \$75,000 loans were made to Adair County REC and in 1945

loans totaling \$265,000 were awarded to the cooperative. By the end of 1945, 575 miles of line were energized and 1,348 rural homes were receiving electricity. The REC received a \$625,000 loan in 1946 and a \$1,234,000 loan in 1948. The miles of line energized jumped to 951 in 1948 and by the end of 1949 had reached 1,305, serving 3,319 customers.

The growth of the cooperative made more office space desirable. The directors considered the problem and decided that a new building was the answer. In September, 1949, they purchased the present building site. A loan for \$115,000 was approved in September, 1950, for construction of a new headquarters building.

In the meantime, the size of the cooperative's operation continued to grow. By the end of 1950, 1,579 miles of line were energized and there were 3,986 meters. At the end of 1951 there were 4,100 meters served by the cooperative and 1,626 miles of line were energized.

Mr. and Mrs. Richard Frey, who lived 12 miles south of Dexter, were the first members to install electric radiant ceiling cable heating on Farmers Electric lines in October, 1955.

Improvements to the REC system during 1957 totaled \$87,830 for conversion and new construction of 101.26 miles of line. This represented the largest single investment in system improvement since the end of initial construction.

The cooperative started a bi-monthly newsletter in 1957. Mrs. Wilmer Schmidt chose the name for the publication.

In 1957, Farmers Electric Cooperative sold more kilowatt hours of electricity to its members than any single year since its 1938 incorporation. Sales totaled 15,230,770 kilowatt hours. Average sales per member rose to 304 kilowatt hours.

The first crop dryer came on line in 1958 and also the first all-electric home. The first year mercury vapor security lights were used was 1958. They were rented for \$3.00 per month.

The Rural Electrification Administration's silver jubilee anniversary was 1960. Rural electric cooperatives had borrowed 154 million dollars from R.E.A. and repaid \$41 million, including \$12 million in advance payments. Cooperatives had paid more than \$18 million in interest.

Friday, January 6, 1961, was the day Willie Wiredhand went to work in his new home at the Orient substation. This brought the total to five substations on Farmers Electric Lines.

One of the worst ice storms in the history of the cooperative struck on February 7, 1961. Over 750 miles of line were affected and 2,500 members left without power.

Manager R.D. Mayes retired in 1961, after 23 years of service. Claude Sivadge took over the duties of general manager.

The first patronage refund checks, totaling \$37,809.66, were mailed December 1, 1962. Some 1,584 checks were mailed which represented the years 1942 through 1945. A second patronage refund was made December 2, 1963, for the years 1946 through 1950 totaling \$74,066.21.

During the 1960s, members received a credit when they purchased electric appliances. A rate reduction was made in October, 1964. Total plant value for the cooperative was \$2,980,128 in 1965 and a gain of 7.8 percent in kilowatt hours used was experienced.

In 1966, Farmers Electric Cooperative added its first hydraulic boom truck to its fleet of mechanical trucks.

The year 1967 saw the beginning of a new appliance repair and installation service and a wiring service for members. Kilowatt hours sales continued to increase and the cost per kilowatt hour decreased. A new look for REC vehicles came about in 1968 with bright yellow trucks with green and white stripes and a large REC emblem on the door. Substation #6, the Casey substation south of Casey, came on line at this time. Also in 1967 Southwestern Federated at Creston and Central Iowa Power Cooperative of Cedar Rapids merged. Central Iowa Power Cooperative then became the power supplier for Greenfield REC.

On March 20, 1969, the 981 rural electric member systems approved the establishment of a self-help financing institution known as the National Rural Utilities Cooperative Finance Corporation (CFC). This self-help venture was a very important step toward assurance of future financing needs.

In 1970, there was a new addition to the existing building in Greenfield, a 50' x 80' steel building was added to the west end for additional storage space.

The first underground distribution lines (7200) volt were installed in 1971. They were buried in the Lorimor area in conjunction with the new Lorimor substation. The cooperative's first hydraulic high lift (basket) truck was purchased that year.

Lines were really torn up by a December 4, 1973, ice storm. Total cost to repair damage done by the storm was \$900,000. A rate increase was needed because of this storm.

Manager Claude Sivadge retired after 26 years of service to the Cooperative in September, 1974. Claude saw many changes take place, including 60 ampere services retiring in favor of the 200 ampere service; some of the new primary feeder lines going underground and two new substations added to the electric system. Dennis Hagny then took over as General Manager.

In May of 1974, members of the Greenfield REC received electric power from Iowa's first nuclear generating plant, located at Palo, Iowa. During the 70s, four more substations were built, one south of Stuart, one south of Patterson, one south of Earlham and one southwest of Bridgewater. Farmers Electric Cooperative also went to an in-house computer system for billing and cooperative business. The cooperative applied to the Rural Electrification Administration for a loan in the two-year amount of \$1,750,000. Maintenance is part of the expense of the cooperative. Some of the poles and lines were now over 30 years old, pole rejections were

running at 10 percent. Each year approximately 350 to 400 poles were being replaced. Tree clearance is also a part of the continuing maintenance program. During the late 1970s, 27 miles of three-phase lines were installed.

Manager Dennis Hagny took a manager's job in South Dakota. In July, 1981, Dave Weaklend was hired as manager of Farmers Electric Cooperative. Continued efforts during the 1980s in pole testing and replacement program, resulted in 26,202 poles being tested, 3810 poles were changed out. Crews continued to clear trees from lines and apply brush killer to cooperative lines. Some existing lines were updated from single phase to three phase. Testing and inspection of underground lines is also required.

In the mid 80's the cooperative experienced problems with some of its underground cable. After evaluating the costs, approximately 40 miles of underground cable were replaced with overhead line. Farmers Electric Cooperative erected two new substations in the Wiota and Winterset areas. These substations were used to serve a new large power load, Rose Acre Farms at Winterset, as well as improve service reliability. Also in the mid-1980s your cooperative enacted a meter reader program, availability of dual fuel and interruptible electric heating rates, water heater rebate program, and a complete satellite package. In June, 1988, a retail rate increase was made.

Dave Weaklend took a position as manager at another cooperative. John Wietzke, long time cooperative attorney, came on staff as his replacement in July of 1992. John served in the position of manager until midsummer of 2002 when he ended his tenure as manager.

Our current manager, Clarence Moshier Jr., came on staff in the fall of the same year.

We implemented an Automatic Meter Reading (AMR) system in 2003. Every meter has a device (turtle) that transmits the reading to a receiver in the substation. The information is then transmitted back to the office over a phone line or radio frequency.

The Greenfield REC has 1,811 miles of line, serving 3,752 members. To date \$5,471,000 has been paid back to members in the form of patronage capital credit refunds.

Farmers Electric Cooperative looks forward to the challenges of the next 65 years.