

On the Line With Co-op Linemen



MESSAGE FROM CEO AND GENERAL MANAGER RICK HAILE

IMAGINE SEEING A CLASSIFIED AD for a job that reads like this: “Lineworker Wanted: Long and unpredictable hours, hazardous working conditions. Requires some weekend and holiday work. Must be able to learn complex technical operations, work under extreme pressure and deal with people under difficult conditions—all with a smile.”

You’d think a job description like this would scare people off, wouldn’t you? But not all people. These demanding jobs attract dedicated people. Highly skilled people. People who know that they’ll be out in the middle of the night, working long hours in driving storms, all to make our lives better. These intrepid people are Heart of Texas Electric Cooperative linemen.



To be ready to respond no matter the situation or weather conditions, electric cooperative lineworkers in Texas take advantage of dozens of training opportunities and safety courses offered annually by our statewide association, Texas Electric Cooperatives. Our lineworkers go through regular training to ensure that they can work safely and proficiently with specialized equipment. The equipment gets tested regularly, too.

Lineworkers also focus on safety; the lives of co-workers are on the line. For linemen, there can be no slip-ups or careless actions on the job. Mistakes can cost a limb or a life. That’s one of the reasons linemen form a brotherhood. When you put your life in the

hands of co-workers every day, they become more than colleagues. They’re family.

That sense of family extends throughout the co-op’s service area. Like the rest of the co-op’s employees, linemen are generally fellow members of your co-op; they’re neighbors and friends, and they look out for their community. Your comfort and safety are big reasons that our linemen take such pride in a tough job.

Heart of Texas EC lineworkers are the heart of Co-op Country. If you agree, give our hometown heroes a big thumbs-up when you see them at work—or shake their hands and thank them when you see them in the grocery store or at the co-op’s next annual meeting.

They expect no special recognition. It’s reward enough for them to know your family is safe and warm, regardless of the weather. Nevertheless, we’d like to thank our lineworkers for their hard work and dedication.



Help keep Halloween festivities full of smiles by keeping safety first.

Beware of Small, Strange Creatures After Dark

YOU KNOW WHAT HAPPENS around here on October 31: Small, strange creatures dot our roads at night. They creep up to homes with large bags and dash from one place to another, often forgetting about the cars and trucks passing them on the road.

Halloween is one of the most fun nights of the year for kids. But in their excitement, they don’t always think about safety—which means that grown-ups need to do some thinking for them.

If you’re sending out your little ghouls or goblins to trick-or-treat, make sure they carry a flashlight. Or fasten reflective tape to their costumes to help drivers more easily see them. Remind kids to keep basic traffic rules in mind: Use sidewalks and crosswalks, and look both ways before crossing streets.

If you’re doing the driving on Halloween night, keep an extra-sharp eye out. Not only can the quest for candy make kids forgetful about traffic safety, but also dark-colored costumes can make them even more difficult to see.

Heart of Texas Electric Cooperative reminds you to take greater care than usual to keep Halloween a special treat for all of our small, strange creatures.

Westphalia ISD Lights Up and Saves \$8,000

ENERGY EFFICIENCY IS POPULAR THESE DAYS and a good way to save money on utility bills. Westphalia Independent School District embraces this idea and is taking steps to become more energy efficient. Superintendent Robert Hudson leads the district in its efforts to reduce electric usage and improve the bottom line.

One of the steps in this plan was to replace the existing lightbulbs in the school with more energy-efficient ones. Hudson turned to Heart of Texas Electric Cooperative to help the district by applying for a commercial lighting rebate.

HOTEC supported the energy-efficiency lighting upgrade project that will translate into big energy savings for the district. The school lighting retrofit will not only reduce the district's use of electricity, but also the brighter, more effective lighting creates an improved learning environment for students.

Member Services Manager Ron Poston presented Hudson with a rebate check in the amount of \$2,500. The presentation was held in the school gym, where the effects of the lighting retrofit were significant. The gym is now well-lit with LED bulbs replacing the older fluorescent bulbs in the existing fixtures, thus reducing unnecessary energy consumption. Annual energy savings to the school district from this LED lighting upgrade are estimated at \$8,000, Hudson said.

"The new bulbs will also eliminate having to replace the ballasts needed for the old bulbs, saving \$80 just on each ballast when it comes time to replace," Hudson said. "In addition, the LED bulbs come with a 10-year warranty. We estimate a 7½-year payoff on the lighting replacement."

In total, 312 4-foot bulbs and 21 screw-in bulbs were replaced.

"The transition was easy," Hudson said. The existing light fixtures were kept in place. The ballasts were removed, and after minor rewiring, the new LED bulbs were inserted in place of the fluorescent bulbs.

This was not the only energy-efficiency project that Hudson directed. The district also completed a much-needed HVAC upgrade in the gym, replacing four old ceiling-mounted units with more efficient units.

HOTEC is proud to have played a small part in helping Westphalia ISD improve its energy efficiency and reduce energy costs.



Westphalia ISD Superintendent Robert Hudson accepts a \$2,500 rebate check from Heart of Texas Member Services Manager Ron Poston. The school district replaced all fluorescent lightbulbs with more energy-efficient LED bulbs. Energy savings from the retrofit are estimated at \$8,000 a year.

Heart of Texas Electric Cooperative

Operating in Bell, Bosque, Coryell, Falls, Hamilton, McLennan and Milam counties

CEO AND GENERAL MANAGER

Rick Haile

DIRECTORS

Garland Cook, District 1
DeWayne Draeger, District 6
Kermit Dreyer, District 7
Paul Edge, District 2
Dan Foster, District 9
Kenneth Hollas, District 3
Bobby Nawara, District 4
Allen Shows, District 5
Larry Stock, District 8



Contact Us

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OFFICE HOURS

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CREDIT/DEBIT CARD PAYMENTS

Online at hotec.coop

By phone at 1-855-399-2688

FIND US ON THE WEB

hotec.coop



HEART OF TEXAS ELECTRIC COOPERATIVE ANNUAL MEETING

TUESDAY, OCTOBER 18, 2016 • 7:30 P.M.

Frank W. Mayborn Civic & Convention Center • 3303 N. Third St., Temple

TENTATIVE AGENDA

- ▶ Call to order
- ▶ Invocation and Pledge of Allegiance
- ▶ Introduction of directors and guests
- ▶ Approval of minutes
- ▶ Drawing for grand prizes
- ▶ Drawing for attendance prizes
- ▶ Director election voting
- ▶ President's report
- ▶ Employee service awards
- ▶ Manager's report
- ▶ Youth Tour participant:
Teran Willberg
- ▶ Guest speaker:
J.B. Smith
- ▶ Drawing for youth prizes
- ▶ Drawing for attendance prizes
- ▶ Announcement of grand prizewinners
- ▶ Questions
- ▶ Adjourn

HEART OF TEXAS ELECTRIC COOPERATIVE invites all its members to attend this year's annual membership meeting October 18 at the Frank W. Mayborn Civic and Convention Center in Temple. The business meeting begins at 7:30 p.m.

You will hear information on the operations of your co-op, highlights of the accomplishments made throughout the year and a discussion on the challenges we face in the future. More than \$2,500 in attendance prizes will be awarded throughout the evening.

Guest speaker will be J.B. Smith, former sheriff of Smith County. He will entertain with "Laughter Is Lawful," which has been presented hundreds of times from New York to Los Angeles. He has received two Emmys for his TV production on Texas Heritage. Smith is the author of two true crime books: *The Christmas Day Murders* and *The Unholy Ghost Murders*. His motto is, "Blessed are they that laugh at themselves, for they shall never cease to be amused."

We hope you take this opportunity to meet your HOTEK family and celebrate another successful year.

RIDE WITH US ON A SHUTTLE BUS

HOTEK is providing shuttle buses to and from this year's annual meeting at no cost to members. Buses depart from the Rosebud and McGregor offices at 6 p.m. Seating is limited, so please call the HOTEK offices to make your reservations early for a seat on the bus.

ELECTION NOTICE

The following district seats are up for election, and the individuals named have been nominated for election to their respective districts. Voting takes place during the annual meeting.

DISTRICT 1 Garland Cook	DISTRICT 3 Kenneth Hollas	DISTRICT 7 Kermit Dreyer
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SPECIAL ACTIVITIES AND ATTENDANCE PRIZES

Grand Prize Drawings: Two \$500 credits on members' electric accounts, plus other prizes are awarded during the evening.

Special Activities for Children: Visit with our HOTEK linemen as they demonstrate how they work in a lift bucket or on a pole, and have your picture taken.

Kids' Prize Drawing: A Kindle Fire is awarded to each one boy and one girl.

FINANCIAL STATEMENTS

June 30, 2016 and 2015

CONDENSED BALANCE SHEET

	2016	2015
ASSETS		
Electric plant (net)	\$58,904,547	\$55,910,274
Other assets and investments	19,773,240	19,011,726
Current assets	6,216,006	7,402,225
Deferred charges	1,356,292	1,362,301
TOTAL ASSETS	\$86,250,085	\$83,686,526
LIABILITIES AND EQUITIES		
Equities and margins	\$58,288,456	\$54,509,960
Long-term debt	19,138,577	21,503,399
Accumulated postretirement benefit obligation	984,574	930,248
Current and accrued liabilities	5,990,608	5,920,930
Deferred credits	1,847,870	821,989
TOTAL LIABILITIES AND EQUITIES	\$86,250,085	\$83,686,526

CONDENSED STATEMENT OF REVENUE AND PATRONAGE CAPITAL

	2016	2015
OPERATING REVENUES	\$34,547,156	\$39,841,932
OPERATING EXPENSES		
Cost of power	22,679,829	27,921,719
Distribution expense	2,762,865	3,296,354
Depreciation and amortization	2,619,458	2,466,996
Consumer sales, administration and general expense	2,438,759	2,593,903
TOTAL OPERATING EXPENSE	30,500,911	36,278,972
OPERATING MARGINS BEFORE FIXED CHARGES	4,046,245	3,562,960
FIXED CHARGES—INTEREST ON LONG-TERM DEBT	1,641,600	1,655,436
NET OPERATING MARGINS	2,404,645	1,907,524
NONUTILITY MARGINS		
Interest income	992,776	869,085
Other nonutility income	104,184	102,490
Equity earnings in subsidiaries	(84,599)	(75,295)
TOTAL NONOPERATING INCOME	1,012,361	896,280
CAPITAL CREDITS	954,819	1,557,106
NET MARGINS FOR THE PERIOD	4,371,825	4,360,910
PATRONAGE CAPITAL BEGINNING OF YEAR	52,923,101	49,210,800
NET CHANGE IN PATRONAGE	(633,746)	(648,609)
PATRONAGE CAPITAL END OF YEAR	\$56,661,180	\$52,923,101

CAC Holiday BOW-tique Offers Unique Gift Ideas

IT IS ALMOST THAT TIME OF YEAR! Each November, The Contemporaries open the door on the fun of the Holiday Bow-tique, featuring booths full of items for your shopping pleasure. It is the beginning of the holiday season, and you will find wonderful gifts for those you treasure. The event is held in Strasburger Hall at the Cultural Activities Center, 3001 N. Third St., in Temple.

This year, the Holiday Bow-tique begins Tuesday, November 1, 3–7 p.m. There will be a light meal available that can be eaten there or taken home. Wednesday, November 2, the holiday booths open 9 a.m.–4 p.m. for a great day of shopping with friends. Lunch will be served Wednesday, 11 a.m.–1 p.m. Food for this event is provided by the students of the Temple High School Culinary Department, and the cost is nominal.

Call a friend and come shop and visit with many local artists, local authors, craftsmen and small-business owners. There are handcrafted items, including fashion jewelry, stained glass or painted Christmas ornaments, ladies' fashions, Christmas floral designs, food items and so much more!



Hilde Cort, Selesse Thompson and Jean Thorp display holiday decorating and gift ideas available at the annual Holiday BOW-tique held November 1–2 at the Cultural Activities Center in Temple.

As you are greeted and welcomed to the Bow-tique by one of The Contemporaries, you will have the opportunity to purchase tickets for one of the three raffle items, courtesy of the vendors. There are door prize drawings both days, courtesy of the vendors.

There is no admission fee for this event. Proceeds from table rentals, raffle items and food sales will be donated to the Cultural Activities Center as part of The Contemporaries' annual pledge. While you are in the center, you also can walk around and view the art on display.

Event organizers Hilde Cort and Jean Thorp welcome everyone: "We look forward to seeing you at The Contemporaries' Holiday Bow-tique on November 1 and 2!"



Fall maintenance should include making sure the thermostat is working properly.

Autumn HVAC Maintenance Checklist

KEEP YOUR HEATING SYSTEM at peak performance this fall by having a contractor perform a preseason checkup. Repairmen get busy once winter comes, so it's best to check the system before you need it to keep you warm all season.

A typical maintenance checkup should include:

Checking thermostat functions to ensure that the system keeps you comfortable when you are home and saves energy while you are away.

Tightening electrical connections and measuring voltage and current on motors. Faulty electrical connections can cause unsafe operation and reduce the life of major components.

Lubrication of all moving parts. Parts that lack lubrication cause friction in motors and increase the amount of electricity you use.

Inspecting system controls to ensure proper and safe operation. Check the equipment's starting cycle to make sure the system starts, operates and shuts off properly.

You also should inspect and clean or change air filters yourself once a month. A dirty filter can increase energy costs and damage your equipment, leading to early failure.

Online Bill Pay Frequently Asked Questions

HEART OF TEXAS ELECTRIC COOPERATIVE offers an online bill pay service to its members that allows them the convenience of paying their monthly utility bill using the internet. After signing up, members can obtain a 13-month billing detail, billing history and graph. They will be able to calculate their bills or request service orders for general maintenance, such as tree trimming or security light repairs.

How do I sign up for online bill pay?

You can access the Heart of Texas Electric Cooperative website by visiting hotec.coop. Register for online bill pay by clicking the highlighted Online Bill Pay tab. You will need to provide your Social Security number, phone number and account number. Problems might occur if these do not match the information we have on file, at which point you will need to contact the office by telephone or in person.

Why do I need a challenge phrase?

The challenge phrase is an important security tool during the login process for your account. If you forget your password, you will be presented with your challenge question and asked to enter the answer. The question should pertain to a personal fact that few people know, such as your maiden name, favorite sports team or pet's name.

Will I receive a printed bill?

Yes, you will still receive a printed bill in the mail. You also will receive an email notification when your bill is ready to be viewed and an email confirmation each time a payment is posted to your account.

What if I forget my username or password?

You may retrieve your password or username by clicking on the blue Forgot Your Username or Password? link located at the bottom of the sign-in page. You will be asked your account number and username or email address, depending on the information you are requesting. You will also be asked your challenge question. The information you are requesting will be sent to the email address you used during the sign-up process.

What if I am not receiving my new bills or payment confirmations?

If you are not receiving new bill notices or payment confirmations, you might have an invalid email address listed on your profile. You can verify or make changes to your email address and your profile by going online to Edit My Profile.

What are the benefits of online bill pay?

In addition to having the convenience of paying your bill on YOUR time and at YOUR convenience, the benefits are numerous. This service allows you to view and maintain your account outside of regular business hours. You can estimate what your upcoming bill will be, enabling you to better budget your finances. Bill notifications allow you to see your new bills before they appear in your mailbox.

This service is free and secure. You can pay your bill online with a personal or business check or use your Visa, MasterCard, American Express or Discover card. Payments are posted immediately to your account.

Sign up today and take advantage of this incredibly convenient payment option. If this option is not for you, automatic bank and credit card drafts are available, as well. If you have any questions or concerns regarding any of the payment options, please contact your local HOTECCOOP office at 1-800-840-2957.

RECIPE OF THE MONTH



RICK PATRICK

White Chili

- 1 pound lean ground turkey
- 2 tablespoons olive oil
- 2 cans (15 ounces each) navy beans
- 1 can (4 ounces) green chiles
- 1 teaspoon cumin
- 1 teaspoon oregano
- 1 teaspoon white pepper
- 3 cups low-sodium chicken broth
- 1 tablespoon cornstarch

1. In a small pot, brown turkey in olive oil. Add beans, chiles, spices and broth. Bring to a boil, then remove from heat.
2. Remove 1/2 cup broth and add cornstarch, stirring until lumps dissolve. Pour back into chili and stir well.
3. Serve with chopped tomatoes, avocado, corn, jalapeños and cilantro, as desired.

Find this and more delicious recipes online at
TEXASCOOPPOWER.COM



STURTT | ISTOCK.COM

If you have any concerns about your home's wiring, don't attempt to fix it yourself. Contact a licensed electrician to get the job done safely.

Don't Overload Your Home

ABOUT 47,700 HOME FIRES IN THE U.S. are caused by electrical failures or malfunctions each year, according to the National Fire Protection Association. Overloaded electrical circuits are a major cause of residential fires. Help lower your risk of electrical fires by not overloading your electrical system.

Warning signs of overloaded circuits include:

- ▶ Flickering, blinking or dimming lights
- ▶ Frequently tripped circuit breakers or blown fuses
- ▶ Warm or discolored wall plates
- ▶ Cracking, sizzling, popping or buzzing from outlets
- ▶ Burning odor coming from outlets or wall switches
- ▶ Switches that lean to one side or feel loose when flipped
- ▶ Mild shock or tingle from appliances, receptacles or switches

A few vigilant measures can help prevent electrical overloads in your home:

Never plug major appliances into extension cords or multi-outlet converters. All major appliances should be plugged directly into wall receptacle outlets. Plug only one heat-producing appliance into a receptacle outlet at a time.

A heavy reliance on extension cords is an indication that you have too few outlets to address your needs. Power strips only add additional outlets; they do not change the amount of power being received from the outlet. Have a qualified electrician inspect your home and add new outlets.

The Consumer Product Safety Commission estimates that more than half of the electrical fires occurring every year in the United States could be prevented by arc-fault circuit interrupters. Whenever an arc fault is detected in a circuit, these devices interrupt the flow of power, preventing sparks and fires in the wiring. If your home is older than 40 years and its outlets are not equipped with AFCIs, consider having these installed.

All electrical systems should have an inspection conducted if the home is older than 40 years, or has undergone a major addition or renovation, or has had a large appliance added.



HAPPY
Halloween

Heart of Texas EC wishes you a safe and spooky Halloween.

QUAVONDO | ISTOCK.COM



CHONESS | ISTOCK.COM

Power Tip

An average household dedicates 5 percent of its electricity budget to lighting. Switching to energy-efficient lighting is a quick way to conserve. By replacing a home's five most-used light fixtures or bulbs with Energy Star-rated models, the average home can save \$75 each year.



SQUAREPIXELS | ISTOCK.COM

Our member service representatives are here to answer your calls. For security reasons and to comply with Payment Card Industry standards, HOTEK members must use the automated payment service line when making payments.

Thank You for Calling

Why HOTEK Upgraded to an Automated Payment Service

MOST PEOPLE LIKE TO TALK TO A PERSON rather than an automated phone service, but Payment Card Industry, or PCI, standards have required changes in how businesses process payments over the phone.

At Heart of Texas Electric Cooperative, all phone calls are recorded. This makes accepting credit/debit card payments over the phone by our member service representatives noncompliant with PCI standards. For HOTEK to comply, we were required to change our procedures. Yes, you'll be "communicating with a computer," but the new payment method safeguards your personal information.

Now when you call in to make a credit/debit card or e-check payment on your account, you will be directed to the automated payment service. It will provide you with easy, step-by-step instructions.

You will need your account number to start the payment process. When prompted, key in your account number. The automated response will ask you to verify the first three letters of the member's last name. If the info is correct, you will be prompted to press 1. You can then enter your credit or debit card number or, for an e-check, your bank account information. You can pay either the amount owed or enter a different amount you wish to pay.

These changes were necessary to protect each member's personal information and to comply with PCI standard requirements. The requirements are designed to prevent credit card fraud through increased data controls. Changing to this method ensures our continued ability to accept payments by phone.

Members can also continue to use the Online Bill Pay feature on our website.

What is 'PCI compliance' and what does it mean to you?

PCI stands for "Payment Card Industry." To be PCI-compliant, companies must meet a specific security standard for the protection of payment card data. Individual security programs developed by major payment card companies such as Visa and MasterCard were used to develop this standard. Any business that processes, transmits or stores credit card data is responsible for adhering to PCI security standards.

For security reasons and to comply with PCI standards, members must use the automated payment service line when making payments via phone. Our member service representatives are here to answer your calls. If you have questions or concerns, please call our office at 1-800-840-2957.

What They Do Might Shock You

YOU SHOULDN'T BE SURPRISED if you see your co-op's lineworkers repairing a downed power line or climbing a 40-foot pole to change out broken equipment—even in the worst of weather or the middle of the night. That's their job.

But you might be shocked to hear about some of the other things linemen do in the course of a day's work.

They help stranded motorists. They keep a vigilant eye out for suspicious activities. They help newcomers find their way around. They participate in the activities of local teams and charities. Linemen coordinate the hanging of a banner or flag from the lift buckets of their trucks, if the cause is worthy and you ask them nicely.

They also save lives. In recent years, co-op linemen in Texas have pulled people from fires, rescued them from automobile wrecks and rendered aid during a heart attack. These heroic measures have garnered praise and awards—but to lineworkers, it's just part of the job.

As your neighbors and fellow community members, your co-op's linemen always want to do their share. Even if it has nothing to do with electricity, it has everything to do with the job.

Whether working high in the sky or on the ground, co-op linemen are ready to serve.



CHRISTOPHER BADZIOCH | ISTOCK.COM